



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

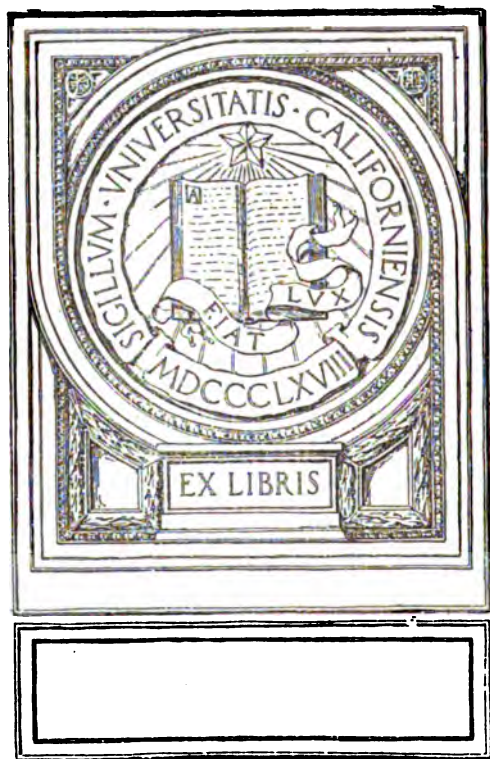
Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>





JAPAN AT THE CROSS ROADS.

BY

A. M. POOLEY

LATE EXHIBITIONER OF CLARE COLLEGE, CAMBRIDGE

EDITOR OF "THE SECRET MEMOIRS OF

COUNT HAYASHI," ETC., ETC.

NEW YORK

DODD, MEAD AND COMPANY

3. 10. 1

MS 10
P 72

First published in 1917

TO THE
LIBRARY OF THE
UNIVERSITY OF TORONTO

(All rights reserved)

THE AUTHOR TAKES THE LIBERTY
OF INSCRIBING THIS VOLUME TO THE KIND
SENDERS OF SOME BOXES OF
DELICIOUS VIOLETS,
WHO OTHERWISE MAY NEVER KNOW HOW DEEPLY
THEY WERE APPRECIATED AND WHAT
GREAT COMFORT THEY GAVE.

Sero sed serio.

PREFACE

INVITED by the publishers to contribute a volume on conditions in Japan at the opening of the Taisho Era, the following chapters were written during the summer of 1915 for inclusion in a considerably larger volume than the present one. It being impossible to publish the complete work during the continuance of the War, the chapters dealing with internal affairs have been segregated and are offered herewith.

As in part the author covers the same ground as Professor W. W. McClaren in his *Political History of Japan*, arriving at identical conclusions in practically the same words, it is allowable to point out that he had not the advantage of seeing Professor McClaren's excellent work until some months after the MS. of the present book had been completed and delivered to the publishers (August, 1915). The only changes since made therein have been the additions necessary to bring the bare essentials of 1915 and 1916 under notice, which additions are indicated in the text. The author has principally relied on notes taken during his residence in Tokyo—twelve boxes full—but no one venturing to write on Japan can afford to ignore the files of the foreign Press of that country. Especially have the columns of *The Japan Mail* and *The Japan Chronicle* been laid under contribution. To the latter journal in particular is the author indebted, not only in the com-

3. PREFACE

position of this volume, but throughout his stay in Japan. Its pages are an inexhaustible mine of scholarly research, sane criticism, and sound patriotism.

The section on Japanese Court Ladies appeared in *The Contemporary Review* of November, 1913, and part of it and various other portions of the book have appeared from time to time in Russian and English journals.

LONDON, April 6, 1917.

CONTENTS

PAGE

INTRODUCTORY	II
------------------------	----

CHAPTER ONE

EMPEROR WORSHIP	23
---------------------------	----

CHAPTER TWO

POLITICS	76
--------------------	----

CHAPTER THREE

POLITICS (<i>continued</i>)	161
---	-----

CHAPTER FOUR

FINANCE, INDUSTRY, AND COMMERCE	191
---	-----

CHAPTER FIVE

FINANCE, INDUSTRY, AND COMMERCE (<i>continued</i>)	227
--	-----

CHAPTER SIX

SOCIAL CONDITIONS	289
-----------------------------	-----

CHAPTER SEVEN

SOCIAL CONDITIONS (<i>continued</i>)	320
--	-----

CHAPTER EIGHT

RELIGION	346
--------------------	-----

INTRODUCTORY

IT used to be a common saying that the most far-reaching event in the political history of the last generation was the rise of Japan, as the result of the Restoration of 1868.

Whether the statement was as true as it was trite remains to be seen. The historian of posterity will in all likelihood consider the Reconstruction of the German Empire in 1871 as an event of far greater consequence, both in its immediate and ultimate effects, than the adoption of Western standards of civilization by a non-Aryan race. It may well be that the chronicler of the future will find the Unification of Italy to be as pregnant with momentous surprises, whilst the amputation of the Spanish colonies by the United States and the awakening of American understanding to a realization of the responsibilities of the United States towards her own citizens, and to the world at large, have already had more intensive and extensive influence throughout the world than all Japan's victories over China or Russia.

Various estimates have been attempted of the results which the creation of a new 'Power' in the Pacific might be expected to produce. Subsequent developments have, however, clearly proved that the time for anything like a precise calculation has not yet arrived.

In some respects the reaction on world-politics has been much stronger than any writer was able to imagine. In other directions the expected influence of Japan has proved a practically negligible quantity.

Who, for example, would have dreamed ten years

ago that Japan, in alliance with England and Russia, would have reconquered Kiao-chau from Germany for eventual restoration to China? On the other hand, to what extent have the predicted menaces of Japan against the Philippines or Australia been realized? Or again, how much nearer is Japan to-day to the place allotted her by the political *augurs*, and towards which she is said to be striving as the leader of Asiatic hegemony against the white races?

It is interesting and instructive to examine the premises on which political scribes have based their conclusions. In my humble opinion those conclusions are wrong because they are primarily founded on one simple illusion.

In every book that has ever been written on Japan, the statement will be found under one form or another, that in the short space of half a century Japan has risen from a condition of barbarism to be one of the Great Powers of the world.

It is true that Japan is a Great Power: it is not true that fifty years ago she was in a state of barbarism. It would be hardly true to say that she was in a state of mediævalism, so far as the essentials of legislation and administration were concerned.

To number Japan of 1868 amongst the barbarian nations is to confess to a painful ignorance of the institutions of the country and of its history. It is also to predicate a similar ignorance on the part of the reader.

When Commodore Perry knocked at the doors of Yedo and demanded admittance, we find no admission on his part that he had to deal with barbarians. On the contrary, he said that the Japanese were a cultured and intelligent people.

They were possessed of a naturally keen intelligence, which had been nourished for centuries on the philosophy of Sung, and sharpened in the century of early foreign intercourse by the teachings of the Jesuit Fathers: they had latent but great reserve of strength: the marvellous capacity for organization, at which the world has since wondered, is inherent in them: their institutions were

based on the family system, the most stable of all political units: their military arts were highly developed, as was natural amongst a race of fighting-men; to organize, equip, and transport an army of from 100,000 to 250,000 men for service abroad was in Japan no unknown feat hundreds of years before Napoleon lived and led in Europe. So far from Japan being cut off from the outer world, she had had in the seventeenth century very close contact with Europe through missionaries and traders, and even after the policy of seclusion was initiated, a colony of Dutch was permitted at Deshima, near Nagasaki. This, with the annual batch of students sent abroad by the *Bakufu*, formed the medium through which the rulers of Japan maintained a watch upon the happenings of the outer world and acquired a very fair knowledge of the trend of Western civilization. It is more than a little interesting to note that vaccination was introduced as early as 1847, whilst Alcock, Adams, and other diplomats of pre-Restoration days found rifled cannon in abundance in the possession of the great *daimyo*.

The reports of the Dutch factors record the import of matchlocks and muskets, and a constant demand for European scientific publications. Siebold found a very high standard of medical and astronomical learning; that woodtyping and stereotyping were well known; that mathematics, trigonometry, and civil engineering were studied; that canals, lathes, and water-mills were all in use, though in some directions mechanics were not encouraged, under the fear that the introduction of machinery might displace labour and create unrest. There was an efficient postal service long before the opening by Perry, and bills of exchange were a common mercantile convenience. In casting a contempt for proportion in no way affected the merit of the work, whilst in lacquer, silk, metallurgy, and horticulture the natives had little, if anything, to learn from abroad.

So far, therefore, from the Japanese of Commander Perry's time being barbarians, they had attained to a

comparatively high state of civilization, whether that word is understood or misunderstood in terms of art, science, politics, or warfare.

It is more correct to say that when the so-called 're-opening' of Japan took place the Japanese were in a state of mental stagnation. They were ready for a change, but the necessary impetus and model had to come from without.

The history of Japan has been one of adoption and assimilation. Nothing in the country is pure and original.

The Buddhism which for a thousand years filled the place of a state religion was imported from Korea. It is a concoction of Confucianism, Taoism, and Chinese Buddhism. It was taught to the Japanese in return for naval and military aid sent to the King of Pakche, one of the composite kingdoms later included in the Empire of Korea.

The reforms of Taikwa (A.D. 645), considered by historians as an even greater revolution than that which opened the Meiji Era, consisted of the transplantation of the Chinese systems of administration across the Yellow Sea to Japan.

The first law code was borrowed from China, as was the oath of allegiance, and even the design of the Court robes.

Even *bushido* is not a Japanese virtue, but was imbibed from the *San Kuo Chih Yen*, the greatest historical novel of any time, and as Professor Chamberlain has explained in his *Creation of a New Religion*, the word was not even coined until well on in the reign of the late Emperor Mutsuhito.¹

Count Okuma, more famous as an educationalist than as a statesman, has put on record that the principal

¹ Mr. John Carey Hall, C.B., I.S.O., writes in his criticism of Japanese Confucianism: "Dozai Shuntai, one of the most eminent authors of Confucian reform in his *Bundō Sho* (the Ways Discriminated), never even mentions *bushido*, probably because the so-called Way or System was as yet in the womb of time, a conception reserved for the mythopœic imagination of a later day."

characteristic of his countrymen is the power to assimilate.¹ He carried this further in a speech delivered to the Osaka Bankers' Association in August, 1914, when he said that his countrymen could "copy and imitate, but neither initiate nor invent."²

The early and mediæval periods of Japan were respectively deeply influenced by Korea and China; then came an age when the influence of Europe wielded through the missionaries and traders was strong; then followed the era of seclusion, tempered, nevertheless, by a current of Dutch influences via Deshima. In 1853 commenced the great period of Western influence, wielded principally by England, supported by America and Germany. Since the Russo-Japanese War English influence has been distinctly on the wane, and Teutonic views have correspondingly gained.

It is not with any view of depreciating Japanese progress, or of minimizing its importance, that the writer has, after long and careful consideration, concluded that the popular conception of Japan is highly erroneous, and that both the achievements and the resources of the country have been vastly overrated.

Probably within the history of newspaperdom no nation has received so unanimously beneficent a 'press' as Japan did before, during, and after the war with Russia. It was literally almost impossible to open a newspaper or magazine without finding some article of fulsome eulogy and praise for Britain's Far Eastern Allies. City men will confirm the statement that the mere mention of Japan on a prospectus was enough to untie the purse-strings of the most hardened investor. Japan for a time exercised an hypnotic influence on the British public, and the effect is only now beginning to wear off.

Reference has already been made to the inherent genius of the Japanese for organization. Never has that genius been displayed to greater effect than in the conquest of Great Britain.

¹ Okuma, *Fifty Years of New Japan*, vol. i.

² *Japan Weekly Chronicle*, August, 1914.

✓ The pivot of Japan's policy has hitherto appeared to be North China and Korea, although Korea was, and North China is, only a means to an end. China having been disposed of in 1895, there only remained two Powers capable of blocking Japan's path. One of these was Russia, the other Great Britain.

The manner in which Japan had defeated China, and the subsequent progress of the country, had given the British public a justifiably good impression of the island race.

✓ On the other hand, in Russia Japan was looked upon as an interloper, who could very soon be kicked out of the way. The Japanese for their part regarded Russia as an ancient enemy, who, by forcing the retrocession of Port Arthur, had inflicted on her an almost indelible humiliation.

Nevertheless, there were two conflicting parties amongst the Japanese statesmen. The one, headed by Ito, was afraid of Russia, and wished for an alliance with that country. The other, headed by Katsura, desired an alliance with Britain. It is ancient history that the latter party gained the day. That victory was to a great extent due to the Press Bureau. This institution, though officially non-existent, manipulated a complete and most successful 'corner' in Japanese news. When it is remembered that the correspondence of Reuter's, Associated Press, *The Times*, *New York Sun*, Laffan, *Daily Telegraph* and *Standard* were for years all supplied either by foreigners directly employed by the Japanese Government, or by Japanese in Government employ, then it is not difficult to imagine that the news was always *couleur de rose*.

Again, in every Japanese Legation abroad was a Secretary whose sole duty was to supply pleasing copy to the reporters.

In Tokyo, attached to the Foreign Minister, was a Secretary to supply *couleur de rose* impressions to the local press and to visitors. Tourists, even famous men of letters were personally conducted, supplied

with carefully edited material, and in some cases with a guarantee for so many hundred copies of any proposed volume on Japan embodying the gratis subject-matter.

When the war with Russia occurred delegates were sent to the neutral countries to 'maintain a favourable public opinion.' Viscount Suyematsu was sent to England, and very ably he did his work. Viscount Kaneko filled the same rôle in America.

After the Russian War the special correspondents from Europe and the States were withdrawn. The news again relapsed under Japanese control. The only change, but not one for the better, was in 1906, when the American Associated Press sent out a correspondent, Mr. J. R. Kennedy, who soon proved himself more Japanophile than the Japanese, and who, shortly after the visit of the American battleship fleet, was the recipient of a high decoration from the Japanese Government, for his services as an 'uncrowned Ambassador' in influencing American public opinion. This gentleman is now the head of the International News Agency of Japan, a semi-official concern, which controls the Reuter service, the semi-official *Japan Times* and *Japan Mail*, and the correspondence of the *New York Herald*, *Christian Science Monitor*, and other American papers, besides having alliances with the Havas, Associated Press, and Stefani Agencies.

In an Oriental country the original sources of information available to a foreigner are strictly limited, and must to a considerable extent remain so. In Japan in particular is this the case. Not only is the ideograph the boundary of first-hand knowledge, if written sources are required, but the people themselves, and officials in particular, have not learned, during fifty years of foreign intercourse, to lightly drop the seclusion and secretiveness of insular isolation. Just as the Japanese keeps a suit of foreign clothes and a suite of foreign rooms for the benefit of his foreign visitors, so he has a separate set of ideas for their consumption.

That the world is now in possession of far greater and more exact knowledge of what is really passing in the country, and of what is in the minds of the people, is due in part to the hiatus of two years, when the foreign news services were subtracted from Japanese control, but principally to the development of the spirit of introspection amongst the Japanese themselves. The vernacular press, during a period of four years previous to the opening of the Great War in Europe, succeeded in wresting from the authorities a considerable degree of freedom, and using that freedom for the national advantage, obtained the promise of many, and the inception of a few, sound reforms. Unscrupulous and dastardly as the vernacular press often shows itself, the nation owes it thanks for all of the most important legislation of recent years. In one important respect, however, the press is utterly subservient to the bureaucracy and the capitalists. Kyobashi, the Gaimusho and Nihonbashi are at one in an insistence on an aggressive foreign policy, and there is only too certain proof that the violent tirades against China find their inspiration in the Foreign Office and the War Office, where they serve factional interests, and are tacitly supported by the other Departments of State, as convenient red herrings across the path of social and economic reform.

I may shortly consider the statement repeatedly made that Japan is fated to be the leader of the Asiatic races against the Caucasian ones. This is the much-talked-of Yellow Peril. Under certain conditions this may well occur. Those conditions are the continuation of the tacit acquiescence by Great Britain, and the active support by Russia and France of Japan's aggressive policy towards China. In that event the Chinese may be expected to reverse their attitude, and join the Japanese in an exclusion policy, directed against the whites, and eventually developing into a race war. No one, looking back over Europe's cynical disregard of her pledges and promises, could blame China for such a course.

So far Japan has not made any real progress towards

the dictatorship of Asia. Given normal conditions, and what would be an abnormal but reasonable development of British policy, and she will make no real progress in the future. I admit that this is the eventual goal to which Japanese eyes are directed, but even such astute statesmen as Prince Katsura and Baron Kato have expressed their doubts as to the ultimate possibility of success. The late Prince Katsura in a conversation which I had with him in January, 1913, discussed this matter. He most emphatically denied the suggestion that Japan had such aims. Ignoring the interpreter, he broke into German, and said, "There are people who think such things. They are stupid, who repeat what they are paid to say, and are causing very serious trouble in our diplomatic affairs." The late Prince made no secret of the fact that the homes of this belief lay in a section of the army, and amongst a group of highly placed financiers in Tokyo.

Count Okuma in 1914 put on record his belief that Japan has no equipment to lead Asia, arguing that beyond the assimilation of a certain amount of Western civilization, a veneer of modernity and strong military forces, Japan has nothing else on which she can claim to be a Great Power. These views are strikingly similar to those of the late Count Hayashi Tadasu. Count Okuma continued the speech referred to by expressing a strong disbelief that China can ever be regenerated. This, however, must be regarded as a wish rather than a thought. It is unreasonable to imagine that a country, which was a great Empire in the dimmest ages, which produced then a civilization and a morality which has endured to the present, is incapable of adjusting itself to modern conditions—if allowed to do so. It is almost an impertinence for Japan, which has made no original contribution, scientific or intellectual, to modern civilization to disparage the country from whom she has borrowed her own ethics, art, manners, language, and religion.

On the other hand, Count Okuma claims that Japan

has a mission as the mediator and modifier between East and West. Japan, in other words, is to be the half-caste nation of Eastern and Western civilizations. Whether Japan can ever fulfil that mission the Japanese Premier doubts, because of her dependence on Europe and America, and because of her insignificant possessions—'a bare $\frac{1}{800}$ th of the world's surface, a commerce smaller than that of the smallest European Power, and an economy inferior to even that of China.' This is the frequent error, the malevolent influence of German thought, that a nation must be judged by what it has and not by what it is.

The spirit of self-analysis has been, during the last few years, rampant in Japan. It has caused a considerable depression throughout the country. The trend of thought appears to be—"Here are we victors in two great wars, one over an Asiatic Empire, the other over a European. We are allied with the maritime and financial Power of Europe. Our flag is flown on every sea. Diplomatically we are treated as equals in every country. We have a modern army, a modern navy, a modern tariff, expanding industries, commerce, and emigration. Yet, in spite of all this, wherever we go we are unpopular; we are distrusted by everybody. At home social unrest is increasing and economic conditions are desperate. Why is it?"

The old belief that the Japanese are a race of diminutive supermen dies hard, but dying it is. The Japanese are an extremely brave and brainy nation of Malay origin. They have in a very short space of time adopted the habits and customs of the Occident, and tacked them on to their own. They are, hard as it may be for the Japan Society and kindred bodies to believe, just humans with human faults and human virtues. They have a high code of military ethics, and a supreme but painfully modern sense of patriotism. Their moral sense is low, they are not industrious, their intelligence is imitative but not initiative, whilst their ambition is blended with an unfortunate aggressiveness and a deplorable sensitiveness.

Mr. Aubrey Stanhope records an interview with the late Queen Draga of Serbia, which Her Majesty pathetically concluded with the words, "Dites bien de nous, Monsieur !" With the Japanese it is always 'Dites bien de nous.' President Taft, when in Japan, remarked to the late Count Hayashi on the touchiness of his compatriots, on their fear and resentment of criticism. The Japanese statesman said, "My countrymen are suffering from patriotic self-conceit." It is the commonest fault of the country to mistake irritable self-complacency for patriotism. Permission to criticize is inexorably refused. The traveller comes to see, he must stay to praise. The national attitude to foreigners is either contemptuously patronizing or insulting. Whichever it may be, no foreigner is credited with even the threat of intelligence. The wonderful publicity campaign, to which I referred earlier, and to which I shall have to refer again, was one continuous, high-pitched, eulogistic misrepresentation. What really were the crude, incoherent, rough-shaped beginnings of a new State were placed before the world as imposing ideals of morality and character. The rhapsody of self-praise obliterated from view the network of industrial, political, social, and economic problems, which are the birthright of every nation, and no more to be evaded by Japan than by Germany, Australia, or America. Criticism is perhaps bitter to the palate, but as necessary to the body politic as medicine to the body physical. Every war has its regrettable incidents as every nation's history has its record of mistakes. Hesitation to face either the one or the other means failure, an attractive failure perhaps, but none the less failure.

Great as Japan's successes have been, though not so great as she would have the world believe, she has now to decide whether she will be a nation of promise or one of achievement. The reward of the latter is eternal fame, of the other a page or two in history as a 'has been' or 'might-have-been.'

Dreadnoughts, machine-guns, gold currency and braid, electric railways and imported tailorings are at best

only accessories. Poverty, mortality, and crime, and the conditions of the subject races are the true barometers of national welfare. In Japan the prisons are chronically overcrowded, the taxes overwhelmingly heavy, and the death-rate unduly high.

Many thinking Japanese readily acknowledge the burdens under which their country is suffering, and in most cases attribute it to the continuance of the bureaucratic system, which penetrates and endangers every class of society. But whilst scientifically they regret these things, they balance against them the benefits which Japan has gained in the past. They are like the Athenian *hetaira*, who daily visited the temples and prayed, "May the good gods make me chaste—but not yet."

It is generally conceded that when the Teutonic question has been settled, the next problem the world will be set to solve will be that of the Pacific. In the solution Great Britain, America, and Japan will be vitally concerned.

The object of this volume is not to predict the future. It is an attempt to delineate the real state of affairs in Japan, and to indicate the forces which are at work moulding public opinion and the directions in which they are leading.

Given accurate data the moderately intelligent can draw their own conclusions.

LONDON, 1915.

JAPAN AT THE CROSS ROADS

CHAPTER ONE

EMPEROR WORSHIP

PART I

The true gentleman observes moderation :
The mean man violates it.

CONFUCIUS.

ON official publications issued in Japan will be found two dates, as 2576—1915. The former group represents the year according to the authorized version of Japanese history, the latter the year according to the Christian Era. The little difference of six hundred and sixty years is explained by the Empire not having been founded until the reign of Jimmu Tenno, the first Emperor, which began in 660 B.C. -

Since that time, orthodox history relates, the Imperial power has descended in an unbroken, direct line. The Imperial oath taken by the monarch at the Accession ceremony runs : ' Having, by the virtues of the glories of our Ancestors, ascended the throne of a lineal succession, unbroken for ages eternal,' etc., etc. Even so severe a critic of the Japanese system of government as Professor Uehara in his *Political Development of Modern Japan* writes : " For more than twenty-five centuries, ever since the embryo of their national life began to develop under the leadership of the first Emperor Jimmu, the Japanese have always lived under one and the same government, and have scrupulously maintained their ethnic unity."

The orthodox profession of faith is as follows : The Emperor holds his power by reason of his unbroken descent from Jimmu Tenno, the first Emperor, who was the lineal descendant of the divinities, who created Japan. Consequently the Emperor is himself divine, and, *ipso facto*, supreme lord of Heaven and Earth. His country is therefore the first kingdom of the world.

The natural result of such a doctrine has been to create the sentiment that the Emperor and his Ancestors are sacrosanct and infallible : to extort an implicit obedience to his orders, or rather to orders issued in his name, and to establish a belief that Japan is as superior to every other nation as the Mikado, thanks to his alleged divinity, is superior to the common ruck of kings and emperors. *duplo of myth*

The doctrine outlined above has obtained general acceptance in Japan and a wide acceptance abroad. That it is in itself unscientific and untrue is obvious, but unfortunately people in Japan are forbidden to believe otherwise, and people outside have had but little opportunity or desire to judge for themselves as to the correctness or otherwise of the views skilfully elaborated for their benefit by the publicity department of the Japanese bureaucracy.

This is the creed, outwardly at least, of every Japanese, and it will be of interest to see how it has been evolved, what it has accomplished, and to what it is leading.

It is first necessary to carry the reader back to prehistoric times, and shortly sketch the origins of the alleged divinity and mythological pedigree of the Imperial family. He who would probe the matter *a fundo* may find a wealth of elaborate detail in the researches of Aston, Chamberlain, Satow, Murdoch, Hulbert, and Longford. If in doing so he finds that most of the modern literature upon Japan teems with inaccuracies and untruth he must not be astonished. He may impute it with justice to the morbid hatred of the Japanese themselves to adverse criticism, and to

the weakness of modern journalists and authors, who are more willing to accept a brief than content to record facts and let the reading public draw its own deductions.

A considerable portion of the books dealing with Japan published during the last twenty-five years have been official or semi-official productions, such as Okuma's *Fifty Years of Modern Japan*, Suyematsu's *The Risen Japan*, and Dr. Nitobe's *Bushido*, which are only incomplete and inaccurate records of historical events, perversions of facts to suit bureaucratic ideas of history, or else volumes subsidized by financial contributions or official inspirations. It is a matter of considerable regret that works in the vernacular, even when translated, are generally useless to the student. A letter before me from a well-known Japanologue says: "Japanese writers seldom or never conform to the rules of scientific writing, especially when dealing with Japanese history. They make it impossible to verify their statements by leaving out all references to the sources of their information." In addition, there are few Japanese writers who have not an axe to grind for party, clan, or family.

After the introduction of Buddhism the upper classes interested themselves in scholarly pursuits, and the art of writing became more general instead of being the monopoly of the corporation of Korean scribes. It was in A.D. 621 that the first history of Japan was written. The first part of this, *The History of the Emperors*, was lost; the second part, *The History of the Country*, is embodied in the *Kojiki* and the *Nihonji*.

The earliest available records of Japanese history are the *Kojiki*, or *Record of Ancient Matters* (A.D. 712), and the *Nihonji*, or *Chronicles of Japan* (A.D. 720). The former is, like the *Iliad*, a transcription of ancient legends, dictated to the writer by one or more persons, who had been able to memorize them. The *Kojiki*, according to the best authorities, contains nothing but oral statements. The *Nihonji*, on the other hand, is

a connected account of prehistoric and proto-historic events, compiled back to the introduction of writing (A.D. 400) from the existent documentary evidence, and as regards earlier events from oral tradition. As regards the credibility of the happenings related, the mythological section deserves less belief than the legends of early Rome, and no more than the curiously similar legends of the Kalevala or the Red Indians. (It may be pointed out that the claims of ethnologists that the Japanese are related to both the Finns and the Indians are largely based on the similarity of their earliest legends.)

As regards the Dark Ages the motto, "Where there is smoke there is fire," applies as much to history as to anything else. Whilst the precise details given in both the *Record* and the *Chronicle* are obviously faked, the main events are correct, especially where international affairs are dealt with, though the dates so meticulously inserted in both books must be corrected by the more trustworthy Chinese and Korean accounts.

A further reason for the greatest caution in utilizing the Japanese records is to be found in the decree of Temmu Tenno, wherein he ordered the production of an official history, the material for which was to be selected from the available documents and stories, many of which contain "deviations from the truth and amplifications by falsehood." Murdoch points out that the selective and editorial work of the writers of the *Kojiki* and *Nihonji* has resulted rather in the production of what the ruler *wished* to be believed than of what actually took place—a failing by no means confined to the official writers of the earliest times of the Empire.

According to the legends embodied in the *Kojiki*, in the farthest æons Heaven and Earth were not separate, but formed one chaotic mass. The purer and more transparent portion rose up and became Heaven, the heavier and more opaque settled downwards and was called Earth. In the space between Heaven and Earth various successions of deities were

created. There were various generations of these deities, the last five of which consisted of pairs, a brother and a sister. The last brother and sister were Izanagi and Izanami.

By order of the college of Deities these two descended to 'make, consolidate, and give birth' to the drifting land. From the Bridge of Heaven they thrust down the jewel spear, and the brine which dripped from it as they pulled it up formed the island of Onogoro or Awaji. The brother and sister descended to that island and dwelt on it, and created the other islands of Japan. Then they became husband and wife, learning the meaning of love from the water-wagtails, and gave birth to between thirty and forty other deities. In giving birth to the last of these Izanami "divinely retired," a Court euphemism for 'died.' This expression is still used in Japan in connection with the deaths of members of the Imperial family.

Izanagi, despairing in his loneliness, visited his defunct spouse in Hades, but, having violated her seclusion, she chased him out again, aided by the forces of the Eight Thunder Gods.

After this adventure Izanagi purified himself in a stream, in the act giving birth to other deities, some springing from the clothes he flung upon the river bank, but three from parts of his body. The Sun-Goddess sprang from his left eye, the Moon-God from his right eye, and the youngest of all, Susa-no-wo (The Impetuous Male), from his nose.

Amongst these three deities Izanagi divided his inheritance. The Sun-Goddess ascended to rule in Heaven, the Moon-God disappeared to rule the night, whilst to Susa-no-wo was allotted the ocean.

For a reason unexplained Susa-no-wo refused to rule the water, and was expelled by his father. He then ascended to Heaven to see his sister, the Sun-Goddess.

As these two stood on the banks of the River of Heaven the Sun-Goddess took her brother's sword, broke it into three pieces, crunched these in her mouth, and

blew out the fragments. The action of her divine breath turned the fragments into three female deities. Susa-no-wo, not to be outdone, took the jewels which his sister wore, crunched these in his mouth, and blew out the fragments, which by his divine breath were converted into five male deities. The Sun-Goddess, as ruler of Heaven, claimed the males as her progeny and allotted the females to her brother. The latter, dissatisfied with this exchange, refused to agree, and violently assaulted his sister, who fled into a cave, removing her effulgence from Heaven and Earth. The resultant darkness mightily inconvenienced the inhabitants of both spheres. Under the leadership of the Moon-God the eight hundred myriad deities took counsel together, rescued the Sun-Goddess, and expelled Susa-no-wo to earth after pulling out his beard and his finger- and toe-nails.

Susa-no-wo, in accordance with this judgment, came down from Heaven and landed in Korea, whence he crossed to Idzumo, in Japan, in a clay boat. In Idzumo he rescued a beautiful maiden from an eight-tailed dragon, in one of whose tails he found a wonderful sword. This he sent back to the Sun-Goddess, presumably as a peace-offering. His descendants by his marriage with the rescued maiden ruled Idzumo to the sixth generation, when Onamuji abdicated in obedience to a conclave of deities, summoned in Heaven to discuss and decide the affairs of Japan.

His successor was Niniji-no-Mikoto, grandchild of the Sun-Goddess and eldest son of the eldest male born from the fragments of the jewels crunched by Susa-no-wo. With him he brought the 'Dragon-sword,' sent up to Heaven by Susa-no-wo, and the 'Mirror of Heaven,' two of the insignia of a Japanese monarch to this day. In his train came Amatsu-Koyane, divine ancestor of the house of Fujiwara.

The heavenly cortège descended on Mount Takachiho in Kumaso, thus making Kagoshima and the Satsuma country the first earthly home of the Imperial family.

There Niniji had an intrigue with a girl of the neighbourhood, who became by him the mother of three boys. The youngest of these, Hodemi, crossed the seas to the Dragon-land (probably, Korea) and married the daughter of the Dragon-king, and, after an alliance with this monarch had been consummated, returned to Japan, and, vanquishing his elder brothers, reigned in Kumaso and Idzumo. His son married his aunt, another daughter of the Dragon-king, and the youngest of their sons was Jimmu Tenno, first Emperor of Japan (660 B.C.—584 B.C.).

On Jimmu Tenno devolved the task of unifying the known parts of Japan and extending his power over the unknown, or 'barbarian,' provinces. The barbarians were the Ainus, a bare remnant of whom still exist in the Hokkaido to the north and in the Loqchoo Islands to the south.

It is unnecessary to trace the history of Japan through the Dark and Mediæval Ages. It is advisable to note that the first religion was Shinto, or ancestor-worship, which began to be displaced about the tenth century by a form of Buddhism imported from Korea. The whole of the early history of the country is vague and unauthenticated. Many of the records are worthy to rank amongst the masterpieces of forgery, and what little is known about those times can only be extracted after careful collation with the Chinese and Korean rolls. That there was frequent and close connection with those two countries is well proven, and to the former Japan was indebted for her literature, arts, ethics, and administrative system.

With the gradual organization of the kingdom the rulers degenerated from active government to the position of *rois fainéants*, with the result that the civil power was absorbed into the hands of one family, the Fujiwara, who had a double advantage over their rivals, owing to their alleged divine descent and to the practical monopoly of supplying the Imperial Consort. The motto of the Hapsburgs is equally applicable to the Fujiwaras.

The direction of military affairs was confided to an official called the 'Shogun,' the Fujiwaras retaining for themselves the office of 'Kuambaku' (regent), which became hereditary in their family. The creation of the post of 'Shogun,' which brought as a necessary corollary the creation of a military caste, led to a series of internal disorders, which lasted for a considerable period. They were the struggles of rival generals for the supreme military power, and involved a struggle for the control of the Imperial person. They ended with the complete victory of Yoritomo and the establishment of the *bakufu*, or Shogun's government, at Kamakura in 1184.

Yoritomo's victory also ended the career of the Fujiwaras so far as administrative power was concerned, though to this day their daughters make worthy mates for the Japanese Mikado.

Yoritomo organized the country on a feudal basis. Hitherto the provinces and districts had been governed by *Kuge* (Court noblemen), nominated by the Imperial Court of Kyoto, responsible to the *Kuambaku*, and in no way concerned with the Shogun. These *Kuge* were gradually displaced and their place taken by *daimyo* (military chiefs), to whom Yoritomo had forced the Emperor to grant land, or by civil servants appointed by the *bakufu*. The *Kuge* retired to Kyoto, where they degenerated into leisured courtiers, living, so far as the commonweal was concerned, in as close retirement as the Emperor.

From the thirteenth century until the restoration of 1868 the Shogunate was the sole administration of the country. As the *Kuambaku* had originally been, it was often the object of civil war, and as the dignity was never hereditary, but due to the nomination of the Emperor, the rival claimants invariably attempted to seize the person of the monarch, and even on occasion to set up a pretender to the Throne. This accounts to a great extent for the numbers of depositions and abdications registered in the list of Emperors. An effective monarch was in himself a danger to this *imperium in*

imperio, and the Shoguns took very good care that if any Emperor should grow to maturity it should either be as an effeminate wastrel or in the safe seclusion of a monastery.

The Tokugawa Shogunate, the last cycle of this extraordinary delegation of authority, lasted from the beginning of the seventeenth century until the restoration of Meiji and the 'voluntary' retirement of Tokugawa Nobunaga, whose funeral I attended in January, 1914, at Tokyo.

The condition of government during that period must be shortly described. The Shogun held his court at Yedo, whilst the Emperor held his at Kyoto. The feudal conditions, established under Yoritomo, had been completely changed by the Tokugawas. Originally the feudal chiefs had been big landowners, with absolute power. The Tokugawas had succeeded, by means which need not here be described, in concentrating all their power in the hands of the *bakufu*, in confiscating much of their property to their own advantage or for that of their pet adherents, and in converting the *daimyo* from being practically independent rulers to being merely the executive officers of the Shogunate. Aggressive acquisition was as much a characteristic of the statesmanship of the Tokugawas as it was of the Fujiwaras, or as it was of the Satsuma or Choshu clans under the Emperor Mutsuhito. The voluntary feudalism of Yoritomo had been changed into a compulsory system, so much so indeed that the *daimyo* had to live in Yedo, and when they returned to their fiefs their wives and daughters remained behind as hostages for their good behaviour. A similar change had occurred in the relations between *daimyo* and *samurai*.

The two conditions illustrative of the state of the country were the impotence of the sovereign and the absence of patriotism, and they are very clearly proved by a study of Japanese history from 1850 to 1889. These years are generally held to mark the change from the old order to the new, but it would be more correct

to say that they were the period during which a new order was grafted on to the old, for it must always be borne in mind that though feudalism had been abolished, the feudal spirit, the growth of so many centuries, could not be wholly eradicated, and there was no such intention on the part of the oligarchy which succeeded to the Shogunate. It was only the head of the system to whom they objected, not the system.

In the Tokugawa age there were three authorities in Japan : the *de jure* Sovereign, the Emperor, whose authority was nil and toward whom the sentiment was entirely religious ; the *de facto* ruler, the Shogun, whose authority, as exercised through his Council, was real, and towards whom the feeling was one of fear ; the third was the *daimyo*, who was the immediate overlord of *samurai*, townspeople, and serfs, and towards whom the sentiment was one of complete loyalty. In fact, the ties between the clansmen and their lords were far stronger than those of consanguinity.

When the power of the Tokugawa Shogunate was at its height there is no doubt that it was strong enough to effectively rule the country. Yedo was the fountain of the national policy, and from Yedo were appointed the officials for its proper application. The *daimyo* were reduced to the rôle of local officials. The claim advanced by Tokugawa Keiki in his letter of resignation that the Shogunate consulted the *daimyo* is unsubstantiated by facts, certainly as regards the heyday of Tokugawa absolutism.

The object at which the *bakufu* aimed was, in short, an undivided control over the whole nation, inclusive of the Imperial Court and the *daimyo*. The Court and the *Kuge* were cowed by the constant presence at Kyoto of the Shogun's deputies and by the close proximity of the military forces of the Shogunate at Osaka. The *daimyo* were kept in hand by the appointment of subsidiary officials from Yedo to manage their affairs ; by their enforced residence at Yedo, where their wives and families were held as hostages ; and by the extra-

ordinarily perfect system of spies (*metsuke*), whereby their every movement, if not their every thought, was at once reported to the Shogun. The ideal of Tokugawa government was no bad one. It was to maintain peace and order throughout the land. Their methods were simple and efficacious. The common people were encouraged to industry, the artisans by the development of arts and crafts, the peasantry by agriculture and horticulture. The feudal aristocracy were encouraged towards the study of literature and military pursuits—literature to keep them out of harm's way, military pursuits that the Shogunate army, for the greater part of which the *daimyo* were feudally responsible, should always be prepared for service. To reduce the risk of any *daimyo* securing a predominant position by wealth various means were adopted to force extravagant expenditure on him. The military retainers swallowed a good portion of revenue, and in addition the *daimyo* were encouraged to ostentatious extravagance at their *yashiki* at Yedo. If these means were insufficient there were two others which rarely failed. The Shogun would invite himself to dine with the plutocratic *daimyo*, who to do honour to his guest would be expected to ruin himself. A quaint legend relates how the Shogun did this with the Lord of Shimadzu, and was so jealous of the luxury displayed that he ordered the latter to construct the triple moat round the Chiyoda Palace. The other method was to obtain an appointment for the *daimyo* at the Kyoto Court, when the presents of gratitude which the Shogun and his subordinates had to receive, coupled with the presents to the Emperor and Empress, were sure to obtain the desired end.

Such was the policy of the Shogunate—at its zenith. From the beginning of the nineteenth century, however, matters had not been maintained on their old footing. The wonderful system of espionage developed the tendency of all such systems. It was so taken up with recording the petty affairs of the population that it

missed the popular movements and the general trend of thought. The unchallenged sway of institutions created decay within themselves. The stifling of criticism caused degeneracy in the rulers. Discipline became lax. The *nayboen* system became supreme. The policy of seclusion was modified, and under foreign pressure was abandoned. No longer were hostages demanded of the *daimyo*. There was treason in the Shogunate families and hierarchy. The younger branches were squabbling as to the succession. The *karos*¹ and *yonin*,² originally nominees of the *bakufu*, became adherents of the clans to which they were appointed. Many of the big *daimyo*, whilst not renouncing their allegiance to Yedo, were intriguing together and with the Court. At Kyoto the situation was curious. The Emperor, as ever, under the Shogunate was a nonentity. The Throne, the symbol of his religious heredity, was tolerated by Yedo for fear that its suppression would cause popular tumult. The *Kuge*, whose only *raison d'être* was the care of and attendance on the Imperial person, were tired of inaction but incapable of action. They turned to philosophy, and found in the new scholarship a remedy for their own ills. It is a truism that every political régime has behind it a philosophical system. Representative government is based on popular freedom; republicanism without democracy is inconceivable; the divine right of kings is the faith of absolute monarchy. Since the Genroku period men had been beginning to think. The scholars of Mito under the headship of a Tokugawa, Tokugawa Mitsukuni, were the earliest reasoners of modern Japan. Their studies taught them that only what is based on true philosophy can endure. The Shogunate was a system evolved to meet particular conditions. It had no philosophy. The particular conditions which had given rise to it were gone.

¹ Hereditary Councillors.

² Murdoch calls them "wirepullers." They were the men with the brains but no authority. The *karo* had authority but no brains,

Every political revolution is preceded by a change in the current of national thought. The Mito philosophers led that change. Half-way along their path they met the Kyoto *Kuge*, who wanted to be restored to power. They detested the Shogunate as much as the Shogunate despised them. The revival of learning and the renaissance of literature took on the guise of a political ideal. Then the Shinto priests joined in with the hope of a revival of Shinto and their predominance over the Buddhists. When the dissentient *daimyo* from Satsuma and Choshu, over whom the Shogun's power was more apparent than real, joined forces the philosophical idea had become a revolutionary movement.

Just at the same time America opened Japan to the world. This provided the necessary concrete case for disaffection. The Shogun had been quick to realize the impotence of his mediæval defences against modern arms, and was desirous of making terms with the foreigners. The *daimyo*, especially after the bombardment of Kagoshima, recognized their weakness, particularly against foreigners; but the Shogun was the dog they wanted to beat, and his timidity before the strangers was an excellent stick. The malcontents therefore rallied to the cry of 'Down with the foreigners!' and their friend the Shogun, and adopted as their policy the restoration of the administrative power to the Emperor. This meant for them the transfer of the Imperial power to their hands, for the Emperor was only fifteen and immature alike in physique and mind. The foreign invasion gave them their opportunity. The Shogun had compromised with the foreigners. They must rouse the nation against the foreigners, not because they expected to defeat them, but because the Shogun would either be forced to fight the foreigners, in which case he would be smashed, or he would resign, in which case the Tokugawa power would be ended. In either event it was decided to seize the Imperial person in order to cover with authority any violent acts they

might perform, and as a rallying cry for the people, to whom they intended to appeal.

The fiction of the divine descent of the Emperor was revived, and the reverence due to a deity was the welcome of the monarch wherever and whenever he showed himself. That the fiction was not universally received is shown by a conversation recorded between a Shinto priest and a Buddhist, whom he was trying to convert to the new order of things. "Ancestors," replied the Buddhist, "may be revered for their human virtues, but certainly not for their alleged god-like descent. If the ancestors were not human probably they were birds or beasts, but certainly they were not gods."

To the literary renaissance, the Shinto revival, and the political unrest must be added a fourth factor, which helped the conspirators. The Western clans, especially Satsuma, Choshu, and Hizen, were fighting races, and to them the insular policy of the Shogunate was distasteful. There was a strong expansion party amongst them, who saw a future in expeditions across the seas. Yoshida Shoin, who was executed in 1859 for complicity in a plot against the Tokugawa rule, was one of the leaders of the Choshu clan, and his writings clearly prove that over sixty years ago the leaders of the militarist clans were planning the ultimate annexation of Formosa, the Kuriles, Kamschatka, Korea, Manchuria, and a portion of Siberia. So soon after the Restoration as 1873 a Ministry composed of Saigo, Soejima, Goto, Okuma, and Oki determined on a war with China. It was only the timely return of Iwakura, Kido, and Okubo from Europe that prevented its occurrence, a retrogression which drove Saigo into retreat and subsequent rebellion. There is no doubt whatever that the clan leaders, from the very time of their usurpation of the government, were determined to follow an aggressive military policy, and their adoption of this course was only postponed by the urgent representations of Iwakura and Ito that Japan must first com-

pletely recast herself before she could be in any condition to wage war abroad. Chauvinism is the birthright of the fighting tribes, and Satsuma and Choshu are no exception to the general rule. Aggression abroad is a Japanese policy dating back to the Middle Ages ; it is not a plant of tender growth, as uninformed London newspapers would often have us believe.

Tokugawa Keiki did not wait for the Westerners to force his hand on the foreign question, but resigned. It has been a moot point whether this course was adopted from wisdom or timidity. Until the family papers of the Tokugawa are published it will not be definitely known. I discussed the matter on various occasions with Japanese, and one of these, a Tokugawa man, expressed the view that it was a strategical move on the part of the ex-Shogun. The Western Lords were demanding a restoration to the Throne of the administration. To this no refusal could be made, for the Emperor, theoretically at least, was the fount of all honour and office. But Keiki in surrendering his office did not want to see the Tokugawas not only supplanted by the Westerners but expelled by them from the council of the nation. By a graceful retirement he expected to keep for his clan a fair share of administrative power and advisory influence. It was only when he saw in the following year that the opposition were intent on crushing the Tokugawas out of existence that he retired from Kyoto and took up arms against the new régime.

That the policy of the Westerners was wrong there can be now no doubt. Their anti-foreign *quasi* anti-Shogun campaign was directly responsible for the hideous massacres of which Europeans were so often the victims in ensuing years, and which brought humiliation on themselves and their sovereign. That they realized their stupidity is evidenced by their *volte-face* in their treatment of Enomoto when the Civil War was ended.

The history of 1867 and 1868 is of considerable

value, as showing that there was but little genuineness in the claims of the Western *daimyo* that they were fighting for the Throne. The Restoration and the Civil War were in plain fact a fight of the *outs* against the *ins*. Patriotism and loyalty had nothing whatsoever to do with it.¹ The restoration of the administrative power to the Throne was merely a piece of political opportunism, necessitated by the peculiar strength of the Shogunate, which called for a far-reaching battle-cry. The so-called Restoration did not, and has not, restored the

¹ "The *bakufu* was succeeded by a clan government" (Baron Shibusawa).

"Mikado worship was established to further the political ambitions of the clan chiefs who were debarred from exercise of authority by the despotism of the Shogunate. This was the motive actuating the Meiji statesmen—not loyalty" (Count Soejima).

"The Clan government differed but little from that of the Shogunate" (Count Itagaki).

"The Tokugawas were exchanged for Saigo, Kido, and Okubo. It was only a change in name" (Haga).

"Mikado worship has conduced to the consolidation of the Empire, but it gave stability to the form of government forced by the clans on the country" (Denning).

"A change from local patriotism to national is essential" (Sir Harry Parke's Dispatches).

"The Japanese sentiment of nationality is quite modern, merely a matter of a generation" (Prince Ito).

"The way of the warrior dates from Olden Times, but *bushi* did not mean love of country. *Bushi* was personal attachment to chiefs, even to the breaking of ties of consanguinity" (Denning).

"In the sayings and doings of the *bushi* generally no evidence appears that love of country was a dominant sentiment.

"There was no evidence of the existence of patriotism prior to the abolition of feudalism in the Meiji Era and the renewal of foreign intercourse.

"If the teachings of history have any value, the conclusion is inevitable that as far as practical display is concerned Japanese patriotism is a sentiment of modern development, and that those who claim any exceptional wealth of innate patriotism for her people must be classed as emotional partisans rather than as sober annalists.

"As regards devotion to the Throne the Japanese assert with vehemence their limitless loyalty to the Throne, but assert it with such vehemence and insistence as is calculated to suggest doubt rather than to inspire confidence" (Brinkley, *History of Japan*, vol. ii).

Imperial power. As regards unifying the country, the only unification of which the opposition seriously thought was unity against the Shogun. It was only when the clans had succeeded to his power that they realized that a continuance of factions would inevitably end in national disaster and that a sentiment for real national unity entered their heads. The remarkable statement of Kido Tadayoshi, who was the brain of the whole Restoration movement, is sufficient evidence of this. Taken all in all, the Restoration movement was as shrewd a piece of political opportunism as the world has ever seen.

The position of the Emperor was but little improved by the change. His personality was nothing to his advisers. His office was everything. It has been described as the greatest asset of the Restoration. Japanese history shows again and again that the Throne was what really mattered ; whether it was occupied by a major or a minor, a widow, a congenital idiot or a beldame, made no difference ! It was the Throne which secured the reverence and affection of the people, not the sovereign. This is easily seen by the lack of surprise, amounting to indifference, when monarchs were retired into prison or a Buddhist monastery. The removal of the capital from Kyoto to Yedo, then renamed Tokyo, was another instance of the impotence of the Emperor. Economic and strategic reasons were advanced to explain the transfer, but the real reason was to take the Emperor away from the influence of the *Kuge*, who had supported the Restoration movement in the hopes of securing advancement for themselves, a step which did not appeal to the *daimyo*. In the same way in 784 the capital had been removed from Nara to Kyoto to rid the Court of the influence of the Buddhist priests.

That the Emperor could only be a puppet was natural from the very state of things. Japan throughout the ages has been a despotism, and the despots were law and custom. The Imperial movements were controlled

by the tyranny of custom. The Mikado sat on the throne immovably for so many hours a day. His body and dress were sacred. Even the scraps of food he left uneaten, the dishes on which he was served, were equally sacred, and had to be destroyed immediately they were removed from his presence. His hair and nails were cut whilst he was asleep or feigned sleep, according to the *nayboen*¹ practices so prevalent in the land. His Court consisted of the useless *Kuge*, his household only of women. He was allowed twelve lawful wives and a practically unlimited number of concubines, mostly drawn from the families of the Kyoto nobles.

These practices have in principle remained unchanged. The Empress is since 1889 the only lawful wife,² but a number of the ladies of the palace are in fact concubines.

Before 1868 the only acts of the Mikado were of a religious character, the deification and canonization of the great—the great being the nominees of the Shogun.

¹ *Nayboen*: a term used to express a feigned ignorance of a well-known fact. For example, when a high official died the fact was, and is, suppressed for a time; nowadays in order to allow the Emperor to confer pre-obit honours on the deceased, formerly to allow his heirs an opportunity of obtaining appointment to his offices. In the case of the Imperial death, announcement was postponed, so as to permit the accession of the next Emperor before the opposition had time to make trouble. No Emperor dies. He 'vanishes' as befitting a semi-divinity. At the death of the late Emperor Mutsuhito, confusion was caused amongst the common people in various parts owing to the announcement in Court language that His Majesty had 'vanished.'

² The present Emperor is only of half-blood, his mother being the Lady Yanagiwara, who was first lady-in-waiting to the late Empress Haruko. Since the passing of the Imperial House Law in 1889, half-bloods are not recognized in the succession, though the Article of the Constitution dealing with the same does not provide for the eventuality of the failure of the direct male succession. It is only comparatively recently that the ladies of the palace have given up the practice of receiving the foreign ministers, a privilege which they enjoyed so long as their position as wives of the left hand was recognized. Even after the promulgation of the Imperial House Law they continued to receive, until protests from some of the foreign representatives conveyed through the Baroness Sannomiya put an end to the custom.

After 1868 the public functions of the Mikado continued to be of a social or religious character, and there is but little evidence that he was a real force in affairs of State. As Professor Uehara says : " No intelligent person believes that all the affairs of State are personally conducted by the Sovereign. . . . There is not a single instance on record of the Emperor Mutsuhito taking any State matter into his own hands."

On the other hand, there is no doubt that the late Emperor possessed a strong personality, and after 1890 exercised a considerable influence on public affairs, though how far that influence went must always remain a matter of conjecture.

There has been in Japan no idea of respect to the Sovereign as Sovereign. His authority has never been temporal, nor has there ever been any personal feeling about him. He has been merely a useful nonentity, filling the Throne, and it is the Throne which has been the subject of respect.

In Count Okuma's *Fifty Years of New Japan* there are many statements which are grossly inconsistent with the truth. There is no statement more untrue than that ' there never has been a revolution or attempt at assassination of the monarch, such as has been only too common in other countries.' That is one of the biggest fictions ever written about Japan, and Count Okuma as an active participant in the events of 1867 and 1868 must know that it is not true. He was in Kyoto when Choshu raided the city and tried to carry off the Emperor. He was an official of the Government at the time of the counterplot in 1871, when it was intended to raid Tokyo and carry the Emperor back to Kyoto. He was in the Government which fought the Satsuma rebellion of Saigo. There is no nation in history which has shown less respect for its monarchs, and in the history of no other nation has the sovereign been so often the victim of murder, deposition, exile, and insult. For sixty years the country was the prey of civil war between Northern and Southern Courts, and an illegiti-

mate usurper won. Thereafter the Shoguns ruled whilst infant succeeded infant on the throne, each as soon as he reached puberty being deposed and shut up in a monastery or, more summarily, assassinated. Chamberlain and Murdoch recall how one exiled Mikado escaped from exile hidden under a load of dried fish, whilst one reigning monarch was reduced to such penury that he gained his pocket-money by selling his autographs !

So much for the myths and legends gratefully swallowed by the British public. The Japanese Imperial Household does not descend in an unbroken line from ages unknown. Its pedigree is broken again and again by the offspring of concubines and of incestuous and adulterous connections. The Sovereign in Japan until very recent years has wielded no influence and has exercised no authority on public affairs, but rather from ages eternal, under the Fujiwara, and then under successive lines of Shoguns, and, since the Restoration, under the clan oligarchy has been a figurehead, intended merely to serve as a cloak for the actions of the oligarchy. There never was, until after the Restoration, any sense of loyalty to the Emperor or to the country. At the Restoration there never was any intention on the part of the clans to create such sentiments. It was only when the clans realized the force of foreign pressure and the impossibility of imposing on the country another despotism, the same in form as that of the Shogunate, that they saw the necessity of national union by the erection of some central figure to which the whole nation would rally, and under whose shadow they could direct the national forces in the paths which they themselves should choose.

If the four tendencies leading to the Restoration movement are understood, and the three conditions outlined above properly realized, it is not at all difficult to understand the course of events in Japan during the last twenty-five years.

PART II

The supreme work of the Meiji Era has been the welding of Japan from a congerie of petty feudalities, all nominally owning administrative allegiance to the Shogun and religious allegiance to the Mikado into a closely knit State, where the interests of the nation have been subordinated to the interests of a governing clique. This has been no mean achievement, and its execution well within the allotted span of a man's life is high testimony to the efficiency of the handful of statesmen who were responsible for it. It has been accomplished by the identification of the Government with the Throne, and this process has been so successfully carried through that there has been no serious opposition to the system established by the clan oligarchy in 1868 until the present time.¹

The last statement will probably be challenged, on the grounds that the movements led by Fukuzawa, Itagaki, and Okuma for popular representation were protests against the bureaucratic system. Indeed at first sight they would appear to be so. The demand for popular rights was, however, an inevitable result of the abolition of the feudal system, and had no connection whatsoever with a movement against the absolutism of the monarchy. On the contrary, simultaneously with the rise of the 'popular rights agitation,' went a counter movement for increasing the power of the Throne, and with the result that the years since 1889 have seen far greater power developed on the side of the Throne than on the side of the people. It is only within the last two years that Japanese writers and thinkers have developed their political sense to the point that a government should be supported by a majority party in the Diet. Even yet there is no well-defined expression of the sentiment

¹ The rebellion of Satsuma under Saigo was not an attack on the system, for which Saigo himself was in great part responsible, but an attempt to subtract the Emperor from his tutelage at Tokyo to place him under the tutelage of Kagoshima.

that the people should control the government. As will be seen later, the Diet in Japan is a luxury. It has no real power, and until the Constitution is radically altered it is not likely to attain such power.

Political movements in Japan have one very great distinction from similar movements in England, France, Russia, or America. They are not originated by or amongst the people. A political party does not consist of a number of men all imbued with the same convictions and ideas derived from study and thought. The political party is a chorus to its leader. How long a leader can rely on the support of his party depends almost entirely on the depth of his purse and the intensity of his personal magnetism. The great ambition of every politician in Japan is to attain office and wealth. There have only been three exceptions, for Fukuzawa was more a philosopher and educationalist than a politician. Itagaki and Okuma were deserted by their followers when their wanderings in the political woods forbade any hopes of earthly reward, so long as they stuck to their leaders. Inukai now leads a forlorn hope, since half of his adherents fell to the late Prince Katsura's golden promises in 1913.

Almost the principal characteristic of the Japanese is their ability to deceive themselves. It has been euphemistically described as the facility to compromise. It is really the art of window-dressing, which is so painfully apparent in their commercial and financial institutions.

The followers of the popular leaders, after a short experience of the hardships of opposition, were perfectly willing to accept the apparent for the real, and those of the leaders who were unwilling to agree were incontinently thrown over. Thus it came about that a Constitution was granted which in no way decreased the authority of the Throne, and, except in words, conceded nothing to the popular demands beyond the power of electing an assembly, and the right of the assembly to meet and talk for so many days a year. The Diet is

the most impotent body in the country, if not in the world. It can control neither finances nor administration nor the army nor the navy. The Throne is supreme, either by its positive or negative powers, or through the Privy Council.

The various political compromises of recent years will be dealt with in another chapter. The intention here is only to point out that the clamour for popular representation, which was a feature of domestic politics from 1879 to 1883, in no way resulted in changing the clan scheme of government, but rather strengthened the same.

The question will be asked, how was it possible for the clansmen to upset the Shogunate and to create a form of government, which has proved in fact an oligarchic despotism, under the guise of a constitutional government. I use the description 'oligarchic despotism,' although most writers employ 'absolute monarchy.' The latter implies that the monarch reigns *and rules*, is himself the active legislator and administrator. But, as I have endeavoured to suggest, in Japan, in my opinion, the monarch reigns but does not rule, the active conduct of affairs having at the Restoration been seized by the representatives of the clans (at first of Satsuma, Choshu, Hizen, and Tosa, later of only Satsuma and Choshu), who have ever since succeeded in holding the power.

The answer is by obtaining an unlimited power of attorney from the Throne. It stands to reason that if a person or institution possesses the virtue of infallibility, if it is in a position, through real or alleged divine favour, never to do anything wrong, the best method for avoiding opposition to a proposed course of action is to affix the infallible one's name to the transaction. Of course, argued to its logical conclusion, such a course can only lead to a Cretan fallacy; but people in Japan are only just waking up to the existence of logic.

The clan leaders achieved what most people would describe as the impossible. In the middle of the latter half of the nineteenth century they set up a system of government, based on the divine right of monarchs,

and not only gained the willing support of their own countrymen, but obtained its complete acceptance in Europe and America. Nothing has been seen like it since the Popes of Rome claimed infallibility as the heirs of St. Peter. No more magnificent swindle has been perpetrated on the world at large since the days of Judæa. No greater testimony to the gullibility of the white races could be required than the avidity with which they have swallowed the bolus of Mikadoism. The historical facts with which they have been regaled are as great humbug as Treitschke's pedigree of William II. Japanese history is more modern than that of any European country. Its authentic beginning was in A.D. 400, and in this, as in most other events, Japanese chronology is indeed out of date, whilst the splendid speeches ascribed to the early Mikados are piracy from the Chinese of the most blatant description. In fact, in dealing with the early records of the country, it is now impossible to separate the native Japanese from the Chinese and Korean, so closely were the manners of those two countries copied in letters, science, art, social customs, administration, and morality.

It is instructive to compare the rise of Mikadoism with the course of events in Germany, where an almost parallel development has been attempted, though with considerably less success, owing to the presence of other sovereign heads than the King of Prussia within the Empire. The unbroken dynasty of the Mikado has been paralleled by Treitschke's fraudulent descent of the Hohenzollerns from Charlemagne. The union of Japan in 1868 preceded by two years only the establishment of the German Empire in 1872. The divinity of the Mikado was copied by William II, in 1898, at Wittenberg. The racial manumission gospel of Tokyo finds its copy at Berlin. The laws of *lèse-majesté* are as severe in Japan as in Germany. Prussia, with its gospel of militarism, is the Satsuma-Choshu of Germany, and the aggressive policies of the Gwaimusho are in no whit behind those of the Wilhelmstrasse. The theories of

industrial and commercial expansion and the methods of colonial government are frankly admitted by Japanese statesmen to be copies from German models.

Whether the founders of modern Japan anticipated the success which has attended their efforts it is impossible to say. I am inclined to think that they did not ; that there were even at times fears of failure, which would account for their coquetting with the theories of popular government. Macaulay, in his essay on The Church of Rome, points out that the Roman Catholic authorities never wasted an enthusiasm. The theories of the crank, equally with the doctrines of the philosopher, were turned to the best account, the good of the Church. The same may be said of the Japanese Government. Like the Roman Church, it started with a great asset, the representation of the Divinity on earth. The Mikado was used to rally the nation against the Shogun. The success immediately attained exceeded the highest expectations, though in fact it was due to the apathy engendered by the feudal system. Once in possession of the reins of government, the Restoration leaders resolved to utilize the same magnet to ensure popular support of their own undertakings. The Mikado was brought out from his seclusion. On his prestige as Divine head of the nation was grafted supreme authority as secular head. The country was told :--

"The Mikado is the head of the country, in religion and in administration, because he is the descendant of Jimmu Tenno, who was the grandson of the Sun-Goddess. He can do no wrong. Hear him and obey, otherwise be guilty of sacrilege, blasphemy, and high treason."

By what methods were the people persuaded to accept this doctrine? By every method. School teachers, university professors, temple priests, officials of *Ken* and *Fu* all became ardent propagandists. Belief in the Imperial divinity and infallibility was the only road, not merely to success but to existence. The astute statesmen who engineered the whole scheme, Okubo, Iwakura, and Kido, realized that the only danger they had to fear was

that of which the Tokugawas were always afraid, the rise of some feudatory to a predominant or at all events independent position. This, then, was early placed out of the range of possibilities by a working agreement between the four clans to surrender their fiefs in exchange for money and power, and then to insist on the other *daimyo* surrendering their fiefs in exchange for money only. The four western lords wrote their surrender of their fiefs, hastened to Tokyo, advised the Emperor to accept the same, and to issue a rescript ordering the other *daimyo* to follow suit. The western army was held in readiness, and would soon have settled any reluctance, but, as it turned out, all the *daimyo* preferred wealth to lands. The next step was to disband the *samurai*, which was done by transferring a number of the Imperial army and pensioning off the rest on the country. The *Hans* (the *daimyo*'s administrative fiefs) were changed into *Ken*, and the whole government was centralized at Tokyo. This was the second great step. By the mere use of the Imperial signature (the Mikado was a youth of eighteen at the time), the feudal system had been abolished, and not only the administrative, but the military power had become the monopoly of the Sat-cho-hi-to¹ coalition. It was not long, however, before the country found that Mikadoism was an expensive luxury. Finance has always been the weak point of Japanese statesmen, and the purchase and pension schemes of 1871 produced very serious discontent, which finally culminated in the Civil War of 1877. People were beginning to realize that clannism was only a survival of the old *régime*. As the Chinese proverb says: "The governments of Loo and Wei are brothers." The Sat-cho statesmen (the Sat-cho-hi-to coalition broke up in 1873) recognized that their actions had been too visible, and it was necessary still further to develop the Imperial theory to cloak them better. Saigo's manifesto, when he began his revolution, had been a complaint that the government at Tokyo was not that of the Emperor, but that of an oligarchy,

¹ Satsuma, Choshu, Hizèn, Tosa.

and this had brought him great popular support. When the rebellion had been crushed, at great cost of life and money, the theory of divine descent was the subject of a wide campaign of exposition and advertisement. The germs of popular representation were discounted by a sharp advancement in the theory of absolute monarchy. The Emperor was brought forward into the public eye. He appeared at many public functions. He became the visible as well as the nominal head of the army and the navy. Imperial Rescripts grew more frequent, but more ambiguous and formal. Foreign aggression, always the secret aim of the Sat-cho clans, became a national policy under the dress of 'expansion of prestige.' The presentation of a Constitution became the opportunity for a clear definition, without veil or apology, that the Emperor not only was the head of the country, but was the sole fountain of legislation and administration.

Such in brief is the history of the rise of Mikadoism from an abstract theory to the driving force of the State. Its growth may be traced in the language of the Imperial Rescripts. Its daily evidence may be seen in the schools in Japan, where on set occasions scholars and teachers perform genuflectory exercises before the Imperial portrait. Its influence may be seen in 'Who's Who in Japan,' where Admiral Togo and other victors in Japan's wars ascribe their successes to the virtues of the Imperial Ancestors, or in the grounds of the War Office and Staff College at Tokyo, and in the public squares, where cannon taken from China and Russia are placarded as captured by the Imperial virtues.

That Mikadoism could be a real religion in Japan was proved at the death of the late Emperor. Nobody who witnessed the thousands and tens of thousands gathered on the Nijubashi night and day, in pouring rain or broiling sun, could deny for a moment the immense hold which it has on the people. That the official intention was to exalt it to a religion cannot be doubted.

The declaration of Baron Oura, Minister of Home Affairs, in February, 1911, is evidence enough on the point. He said :—

“ That the majesty of Our Imperial House towers high above everything to be found in the world, and that it is as durable as heaven and earth, is too well known to need dwelling on here. If it is considered that our country needs a religious faith, then, I say, let it be converted to a belief in the religion of patriotism and loyalty, the religion of Imperialism—in other words to Emperor worship.”

The famous three religion conference in 1912 of representatives of Shinto, Buddhism, and Christianity had for its object the evolution of a new religion, a combination of the three, but a *sine qua non* of which should be the exaltation of the Imperial House. Though the official announcement was that the conference was highly satisfactory, it was on this point at least a dead failure, for the representatives of some of the Buddhist sects, and notably of the Tenrikyo, were unwilling to come to an agreement with the others.

Buddhism has always been an obstacle in the way of Mikadoism. In ancient history Buddhism was supported by the first Shoguns, and it was to reduce Buddhist influence that the Shinto priests, with their belief in ancestral worship, were favoured at the Restoration.

The present state of Christianity in Japan is eloquent proof of the influence of Mikadoism, and it will be a revelation to Western countries to learn that Japanese Christians can accept without apology or hesitation the tenets of the new religion. The Rev. Dr. Ebina, probably the most prominent Protestant in the country, and a man who in other respects has not shown himself unmindful of the faults of his countrymen, wrote :—

“ Though the encouragement of ancestor worship cannot be regarded as part of the essential teaching of Christianity, it is not opposed to the notion that, when the Japanese Empire was founded, its early rulers were in communication with the Great Spirit that rules the

universe. Christians, according to this theory, without doing violence to their creed, may acknowledge that the Japanese nation has a divine origin. It is only when we realize that the Imperial Ancestors were in close communion with God (or the gods) that we understand how sacred is the country in which we live." Dr. Ebina ends by recommending the Imperial Rescripts on Education as a text for Christian sermons.¹

That amazing utterance alone is superlative evidence of the omnipotence of the ideas of Mikadoism among the serious thinkers of the country. From cradle to coffin Japan is saturated with this extraordinary doctrine of a God-descended monarch and a God-favoured land.

Christianity has never received the 'glad eye' of Japanese statesmen. The theory of a Divine Power, greater by far than the Godhead of the Mikado, is something inconsistent with the obscurantist views of the Tokyo officials. In Japan Christianity under the treaties must exist. It is tolerated, but not encouraged, but it is not discouraged because of the considerable educational work it does for the country. In Korea and Formosa it is actively discouraged, as the teachings of the missionaries are calculated to hinder the propaganda of Mikadoism amongst the natives.

Mikadoism is the dominating force of modern Japan. It was a superb mendacity, or, as Chamberlain describes it, "A pious fraud, maintained as a political device to control the unenlightened." It was an engine of despotism, to enable a particularly clever clique to arrogate to themselves the direction of national affairs. As an exposure of the truth would have been calculated to end their plans, the despotism was particularly directed to the suppression of reason. In practice Mikadoism was as effective as Tammany, and as unscrupulous. Its omnipotence has resulted in as complete a tyranny as history knows. That due respect should be paid to a Sovereign on his passage through the streets is right and proper. That ladies should be made to descend

¹ *Japan Mail*, Yokohama.

from their carriages, if held up in a side-street off the route of the procession is perhaps an exaggeration, but that your dog should be made to get into the carriage is absurd.

That schoolmasters should endanger their lives to save the Imperial portrait in a conflagration is pathetic, but that a station-master should commit *hari-kiri* because the Imperial saloon was derailed in his shunting yard is bathetic.

That the Imperial person should be sacred and divine is an excellent idea, but it is a poor excuse for letting a man die for lack of a thermometer and a poultice. Yet this was the case with the late Emperor. The squad of Court physicians prescribed 'from afar,' for it was forbidden to take his pulse except through a silk covering, or to touch his body with thermometer or stethoscope. When the late Empress insisted on calling in outside opinion, and gave the specialists Miura and Aoyama a free hand in their treatment of the patient, it was too late. It is well to note that even these events caused a shudder amongst the older clansmen. Marquis Saionji, the then Premier, has always been noted for his independent spirit and revolutionary ideas, and, though he is blood brother to Prince Tokudaiji, the Lord Chamberlain, a man bred in the atmosphere of the Kyoto Court, he has seldom displayed much sympathy with Mikadoism. His action in breaking through ancient customs earned him the hearty curses of the Genro, and in especial of Prince Yamagata. To treat the Emperor as an ordinary patient, to administer clysters, to pack him in ice, to issue bulletins and advertise his temperature were measures beyond belief, and, in the eyes of the older clansmen, calculated to create a disbelief in his sanctity and divinity. If the Emperor could receive subcutaneous injections, and beat a pulse like the common herd, what was there to differentiate him from the ordinary man? These were the views freely muttered and uttered behind the *shoji* of the waiting-rooms in the Chiyoda Palace. But the mutterings were of no avail before the deter-

mination of the Empress to do everything which was humanly possible to save her husband's life.

That in the past Mikadoism has been of benefit to the country is undeniable. Under its *ægis* Japan has developed from an almost unknown island to one of the important States of the world. A collection of feudal fiefs has been changed into a closely knit Empire. An island sternly barred against intervention from without, and expansion abroad has become one of the continental Powers of Asia, maintaining the closest intimacy with all quarters of the globe. Undoubtedly it owes much of its success to its diplomatic and military triumphs.

The advantages obtained in the diplomatic negotiations of 1882 and 1885 were the forerunners of the wars of 1894 and 1904. It has been one of the assets of Mikadoism, as it is the asset of all oligarchies that it has enabled a continuous policy abroad. That policy was laid down by Yoshida Shoin, was accepted by his successors, confirmed in the Imperial Rescript of 1867, and in the Accession Oath, and has been carried out in the years that have since elapsed.

In numerous ways, other than in expansion abroad, there is much on the credit side of the ledger. In internal administration, in financial reforms, in industrial development, in education, in law and order, in the thousand-and-one paths which make up national life the despotism of the oligarchy has proved most beneficial to the country.

So long as the aims of the clans were identified with the progress of the nation no great objection could be entertained to the methods adopted by the oligarchy, the more so as for many years after the Restoration the vast majority of the nation, born and bred in the passivity of feudalism were lacking, not only in political sense, but even in the desire for enlightenment. But as a political movement arose under the influence of Okuma, Fukuzawa, Nakae, Itagaki and others, the people began to demand a share in the government. For many years, until in fact the death of the late Emperor, that demand

was staved off partly by the fulsome eulogy of Japanese successes abroad and of their authors, and partly by an absolutely unscrupulous despotism, achieved by the misuse of the Imperial name. Oscar Wilde said, 'Nothing succeeds like excess.' The Elder Statesmen of Japan have proved the truth of his words again and again. Having elevated themselves through the Sovereign to a state of omnipotence in the Empire, any attempt to oppose the development of their plans was ruthlessly crushed by the invocation of the national Deity. Laws objectionable to the Diet have been issued as Imperial Ordinances; laws passed by the Diet and objectionable to the powers that be have been vetoed or refused promulgation. Popular movements and political ideals have been nipped in the bud by Imperial Rescripts. So far has the process been carried that Imperial Rescripts have been elevated to a position above the law. Dr. Uesugi, a noted bureaucrat, discussing the Imperial Rescript on Education (1890), claimed that Imperial pronouncements, by mere authority, independent of their contents, should rank above the laws of the country. During the past two years the internal political struggle in Japan has boiled itself down to the simple problem of whether an Imperial Rescript can override the Constitution. The frequent abuse of the Imperial dignity and authority by the Elder Statesman and Prince Katsura has started an inquiry into the legality of Mikado worship, and even a demand for radical reforms of the whole Constitution as affecting the powers of the Sovereign. The reformers have no alternative but to attack the status of the monarch, because the clan leaders hold no office under the Constitution, and cloak all their illegalities under Imperial Rescripts. To such an extent has this process been developed, that in 1913 Prince Katsura obtained an Imperial Rescript, ordering Marquis Saionji, as leader of the Seiyukwai, to make his party desist from their opposition to the Prince. When the Marquis failed to carry out the terms of the edict he was impeached in the Diet on charges of gross disrespect to the Imperial House.

In 1898 Mr. Ozaki, a member of the Progressive Party, was Minister of Education. He is one of the leading younger politicians, and is blessed (or cursed) with a strong imagination, a flood of oratory, and a conspicuous lack of tact. He has been called the Lloyd George of Japan, and not altogether incorrectly. In addressing the Imperial Educational Association, he was broad-minded but unwise enough to say: "Suppose that you dreamed that Japan adopted a republican system of government, a Mitsui or Mitsubishi would immediately become the Presidential candidate." The mere idea of an Imperial Minister mentioning a Republic in connection with the land of the gods was an outrage on Mikadoism. A scream of indignation, carefully fanned by the bureaucrats, went up, and Ozaki resigned, to be followed a week later by the Ministry of which he had been a member.

In 1912 Mr. T. Yamamoto, Minister of Finance, owing to the bankrupt state of the country, refused to subsidize the Meiji Exhibition, to be held to celebrate the fiftieth year of the reign of the Emperor Mutsuhito. He was charged with disloyalty and insulting the Imperial House, because he said: "I am sorry that for lack of funds I am unable to allot any subsidy to the Exhibition proposed to celebrate the jubilee of the restoration of the Imperial House." He had to solemnly apologize to the House and request that his remarks be expunged from the records of the proceedings.

In November, 1911, whilst the Emperor was in Western Japan, his saloon, in coming from the shunting yard at Moji to the station, fouled the points and was delayed for twenty minutes. The station-master committed suicide as an acknowledgment that the fault was his. Dr. Yamakawa, the President of the Kyushu University, wrote a newspaper article arguing that the station-master, in committing suicide, had shown a mistaken sense of his responsibility. The outcry against the author of this piece of common sense was the main topic for many weeks, and Dr. Yamakawa was forced to tender his

resignation to silence his critics. Fortunately for Japan the Marquis Saionji refused to accept it.

✓ In 1901 Professor Kumo was dismissed from office for criticizing the early Mikados, whilst Professor Haga lost his lectureship for saying that the odes in the Nihongi and the Kojiki were composed by the gods, Jimmu Tenno, some Emperors and *monkeys*. As a matter of fact they were all stolen from the Chinese classics.

In 1912 the *Memoirs of a Court Lady*, written by a former lady-in-waiting to the Empress, was suppressed, as giving the public too much familiarity with the customs of the Palace.¹ In the following year a volume called *The Rois Fainéants of Kyoto* was seized by the police, as lacking in respect to the memory of former Emperors. In 1914 several newspaper issues were suppressed for alleged lack of respect to the Imperial Household, and an Osaka paper was suspended for commencing the publication of a serial, *History of an Effeminate Monarchy*.

Only lack of space prevents this record of injustice and tyranny being considerably prolonged. Woe to the official who dares to even smell of heterodoxy. Woe to the man, woman, or child who presumes to think contrary to the creed of the bureaucracy. Thorny is the path of the Professor who strays from the orthodox and dares to investigate for himself.

In the political history of every country statesmen have appealed with more or less success to the sentiment of the people. At its best Mikadoism stands on the same level as the reformed religion stood in England under Henry VIII or good Queen Bess. Henry VIII did not care a rap personally for the Protestant faith, nor did nor do the Satsuma and Choshu leaders care a rap personally for the divinity of the monarch. Each was a means to an end—political benefits. Paris was worth a mass, and the Shogun's power was worth a great deal more.

But Mikadoism has been carried to far greater lengths than any appeal to sentiment in England or America.

¹ See p. 59.

The Japanese are notoriously lacking in common sense and abounding in sentiment. The clansmen have taken advantage of these failings, to impress on the country a system of government, having as its first and supreme object the maintenance of power in their own hands. That their plans coincided with the welfare of the country was at first an accident. That it involved a cynical contempt for the Sovereign meant nothing. Contempt of the *daimyo* for the Sovereign was the normal condition of Japan for hundreds of years before the Restoration. The late Empress is credibly reported to have shrewdly realized this, and when dying at Numadzu during the Naval Scandal incidents, she said to her women: "It is the final proof of what those men think of the Imperial House." That the people are shrewd enough to realize it is evidenced by the statement of the *Asahi Shimbun*, referring to Prince Yamagata at the time of the Uehara boycott in 1912: "It is bad enough that a Genro should shelter himself behind the Dragon-Throne (Mikado), but it is intolerable that he should aspire to be the Dragon Throne."

Mikadoism within limits was beneficial to the country, but carried to extremes, as it has been, is productive of much evil. The repression of thought and the suppression of reason have been its natural weapons. Even so advanced a Liberal as Count Okuma only last year (1914) forbade the formation of a Labour Party, whilst the suspicion of Socialism always has been and remains a bar to promotion, and is a passport to prison. It is not surprising that the official educational institutions are merely forcing-houses for bureaucracy. The future of Japan educationally depends on the private universities at Keio and Waseda, which are turning out a class of men, trained on foreign ideas, and free from the perverse influence of officialdom. That a nation bred and fostered on the doctrines of divine favour should be the epitome of arrogance and self-conceit is natural. If the statesmen who have guided the nation so long regard themselves as the summit of earthly wisdom, it is a corollary that their

pupils, heirs, and assigns should be self-sufficient and narrow-minded, and believe themselves the repositories and trustees of all that is best on earth and under heaven. In neither England nor America could a prominent newspaper such as *Asahi Shimbun* dare to publish a symposium on, "Why We should be Proud of Ourselves," and in no other country could the so-called cultured classes swallow the rubbish contributed thereto.¹

That a nation professing a corner in manliness, loyalty, virtue, and descent should be impatient of criticism from without is well understandable. The peptonized thought fed to it by the authorities has proved a wonderful digestive for the annihilation of its being, and a powerful emetic against the critical efforts of well-meaning visitors.

Destiny loves surprises, but it is doubtful whether the country can make any true and lasting advance until a mental humility, led from above, overspreads the people, and a greater willingness is developed amongst individuals and classes to make sacrifices for ideas. In Japan the individual relationship to the sum-total of injustice and evil is so infinitesimal and indirect that individuals do not consider it worth fighting for. Even when they have done so their efforts failed, and they themselves have been crushed by the heavy hands and slim dealings of the Mikadoists. Joubert says: "C'est la force et le droit, qui réglent toutes choses dans le monde: la force en attendant le droit." In Japan the conditions are reversed. Might is right, and the only might is the power of the clans, which exercise an all-pervading evil influence, in which their leaders display an ingenuous pride. That the present condition of affairs cannot long continue is obvious. It is an axiom that rebellion is nearest where repression is severest. The

¹ "Because of our unbroken Imperial dynasty. No other country has anything like it. Loyalty as here to the monarch is impossible in the West" (Baron Fukuda).

"The only nation whose history goes back twenty centuries. No other nation in the whole world has a unity of spirit as we have to sacrifice itself on the altar of duty" (Baron Den).

hour will bring its creditors in Japan as elsewhere and mob law has become alarmingly frequent in Tokyo of late years. That the mobs have hitherto been the hired agents of opposing factions and interests matters not. Once the national consciousness is really awakened the mob will be the national representatives, and Haman's gallows will decorate the capital.

APPENDIX

JAPANESE COURT LADIES AND LIFE¹

The everyday life of the Japanese Court is practically unknown to the public, in spite of the increasing enterprise of Japanese journalism, which has made repeated efforts to break down the barrier of exclusiveness and mysticism which has hitherto guarded all approaches to the inner apartments of the Chiyoda Palace. Invariably, however, these attempts to violate the sanctity of the Imperial precincts have ended in failure, and until quite a short while ago no consecutive and intelligent account of what actually goes on at Court had ever been published. During the illness of the late Sovereign, however, a number of persons of the outside world were admitted to the Inner Palace, and occasional glimpses of palace life appeared in the Press as the result of indiscretions on the part of some of these visitors.

The death of the Emperor Mutsuhito, who has now joined the ranks of the Sacred Ancestors with the posthumous title of 'Meiji Tenno,' and the retirement of the Lord Chamberlain, Prince Tokudaiji, have removed from the scene the two most conservative obstacles in the way of a more intimate knowledge of palace happenings. The succession of the Prince Katsura, ex-Premier, to the posts of Lord Chamberlain and Keeper of the Privy Seal meant the influencing of the new monarch in more liberal paths than could ever have been hoped for under the rule of the ascetic, conservative, and highly

¹ Written in 1913.

aristocratic Prince Tokudaiji. The new Emperor and his charming consort, the Empress Sadeko, are much more modern in their ideas and thoughts than the late ruler, and it has not taken long for several expressions of their liberal tendencies to become evident.

On the day following the accession His Majesty drove to the palace with the Empress by his side, and ordered that in future this course should always be followed. Innovation number One. On the same occasion, when the Emperor received the High Officers of State, his Ministers and Councillors, in order to read to them the Edicts of Accession and Succession, the Empress had her place by his side in the throne-room, whilst the officers and officials present had been invited to bring their wives with them to the ceremony. Innovations Two and Three. When the members of the Corps Diplomatique presented their credentials and offered their condolences and congratulations they were received by the Emperor and Empress together, instead of, as in olden times, being first presented to the Emperor and then retiring to collect their female belongings before being again introduced into another throne-room to be received by the Empress. Innovation Four—and there are others.

THE CHIYODA PALACE.

The new Majesties have not yet removed to the Chiyoda Palace, the residence of the reigning monarch, from the Akasaka Palace, a brand-new German structure, which is the home of the Crown Prince of Japan. This is owing to the necessity of the former undergoing a thorough turn-out and repair. When they do, however, go into residence there it is probable that the old order will be changed, and that life in the palace will no longer follow the old mysterious routine which was associated with the days of Mutsuhito. All the more interest, therefore, attaches to the contents of a small volume just published, *Jokwan Monogatari*, or the *Reminiscences of Court Ladies*, to which the writer is

partially indebted for some of the information contained in this article.

The Chiyoda Palace is hidden away in the immense compound, behind the triple moat and high walls, which occupies practically the centre of the city of Tokyo. Besides the palace itself the compound contains barracks for a regiment of guards, the offices of the Imperial Cabinet, of the Privy Council, of the Ministry of the Household, immense stables, telegraph station and post-office, power and water stations, and residences for almost innumerable officials. The two entrances best known to the public are the 'Nijubashi' and the 'Sakashita Gate,' both of which are on the great open space to the south. The 'Nijubashi' is the Imperial entrance, and literally means the 'double bridge,' in consequence of the two bridges rising one over the other spanning the moats. Its portals are only opened for the Emperor and Empress, for visiting Royalties, and for the Ambassadors of the Powers. The 'Sakashita Gate,' which is that by which most mortals enter, leads directly to the Household Department, whence the visitor is forwarded to any other points within the compound which he is authorized to enter. Nobody is allowed to enter without a pass, which varies for foot passenger, ricksha, and carriage.

The palace itself is divided into what are called the 'Outer' and 'Inner' Courts. The former is that to which the world of officials, nobles, and diplomats has a limited admittance. Its spacious halls and apartments are all furnished in foreign style. It is illuminated with electricity, warmed by steam heating, and, indeed, there is little internally to differentiate it from the palaces of other countries. Externally the architecture is Japanese, but there is no great show about the building, which compares unfavourably with many of the mansions built by the richer Japanese nobles and business men. The structure is one-storied, rambling, and in parts visibly ancient.

The 'Inner' Court adjoins the 'Outer,' being con-

nected with it by a wide corridor. It is both externally and internally absolutely pure Japanese. The floors are covered with white *tatami*, the walls of the rooms are *shogi* (sliding paper screens), the furniture, mats for sitting and low tables of white wood for eating. The illumination is entirely by candles set in *andon*, whilst warmth is obtained only from *hibachi*, or charcoal braziers. In the Inner Court is neither gas nor electricity nor even an oil lamp. The reasons are, firstly, the danger of fire, the extinction of which would mean the intrusion of unhallowed feet within the semi-sacred domain; and secondly, in order to preserve the unique Japanese characteristics of the building. The Inner Court is practically the only residence in Tokyo, of high or low degree, without the slightest trace of Western civilization, which has ostensibly conquered the country. During the illness of the late Emperor a brass bedstead was introduced into the palace, which was the first introduction into the Inner Palace of any piece of foreign furniture. As a matter of fact, the Imperial patient never sufficiently rallied to be able to be moved on to it, and it was later returned to the importers. However, foreign-made sheets and pillows were used instead of the native *habutaye*, on which His late Majesty generally reposed.

So strict are the precautions against fire that all the kitchen stoves, which are of the usual Japanese style, and all *hibachi* must be extinguished at eight o'clock in the evening, even in the coldest weather. All night a watch is kept by several of the serving-women against a possible outbreak as the result of relighting *hibachi* or overturning of candles.

SERVICE IN THE PALACE.

The whole of the service in the palace is monopolized by women, with the exception of the Imperial pages, who are the messengers between the Outer and the Inner Courts. Indeed, with the exception of these and

of the Princes of the Blood, who have the *entrée*, no male, beyond an occasional carpenter or plumber, is ever seen. Not even the high dignitaries of the Household, the Chamberlains or the Masters of Ceremonies, are admitted beyond the ante-rooms. Even the presence of a carpenter to carry out some small job is a great rarity, owing to the precautions which have to be taken and the purifications which have to be undertaken. Also the late Emperor disliked excessively the intrusion of strangers, partly owing to his innate conservatism and partly owing to a certain meanness, which objected to the performance of repairs. There is a story, which if not true is at least *ben trovato*, that on one occasion on entering one of the rooms and finding a workman there fixing new paper in the *shogi*, he sent for the ladies of the Court and delivered a short lecture on economies, informing them that when the *shogi* wanted repairing they should not have a workman in to fix up new paper, but that they should themselves patch it up with old. A certain Privy Councillor, who was in attendance during the last days of the Emperor and entered his room, told the present writer that the paper of the *shogi* was brown with age and patched in many places, giving the room a very gloomy appearance.

The three essentials of palace life would appear to be cleanliness, ceremony, and tradition, or rather superstition. To such an extent is the cult of cleanliness carried that even the maids who attend on the Court ladies during their toilet perform their duties on their knees, and on no account must they touch their own lower limbs. Should this accidentally happen the offending maid must instantly withdraw and undergo a course of purification before she can again appear before her mistress. If the rules with regard to the maids of the ladies-in-waiting are so strict, it may be imagined that those with regard to the personal attendants of their Majesties are even more so. It is, of course, well known that all service before their Majesties has to

be performed on the knees, and it is not etiquette to approach their Majesties except on the knees, even the physicians who attended on the late Emperor during his last illness not being exempted from this rule. It is also common knowledge that no one may touch the Imperial person with ungloved hands. Last July Drs. Miura and Aoyama obtained permission for the first time to take the Imperial pulse without the interposition of a piece of silk between their fingers and the patient's wrist, whilst for the first time on record medical instruments were applied to the Imperial body. This rule is equally strict for the ladies-in-waiting, and especially so when in attendance on their Majesties when bathing or at their toilet. There is a story, confirmed by the police records, of how a coolie was sent to prison for touching the Empress Dowager's hands. Some years ago the carriage in which the Empress Dowager was driving in the country near Numazu met with a slight accident, and a coolie working near by, at the time ran up and assisted the Empress Dowager to alight, in so doing touching her hand with his own bare one. He was arrested and punished for this presumption.

THE LADIES-IN-WAITING.

The Court ladies are divided into seven grades—*Shoji*, *Tenji*, *gon-Tenji*, *Shonji*, *gon-Shonji*, *Myofu*, and *gon-Myofu*. Under the Meiji Tenno the rank of *Shoji* was unoccupied, but it has been recently announced that the Lady Yanagiwara, the mother of the present Emperor and one of the two occupants of *Tenji* grade, will be promoted to the rank of *Shoji* at the coronation, with the additional title of *Ichii-no-Tsubone*, which appertains to the mother of the reigning monarch. All the ladies occupying the above-mentioned seven grades rank as high officials, and can be admitted into the Presence without hindrance. Below them come three grades of Court women—*Nyoyu*, *Shimyo*, and *Zoshi*. The first named are the keepers of the wardrobes,

the second are the attendants on the Court ladies (*Shimyo* actually means needlewoman), whilst the third are actually housemaids and maids of all work. None of the last three grades can be admitted to the Presence. There are about thirty ladies-in-waiting and between two hundred and fifty and three hundred Court women. The monthly emoluments of *Tenji* is £25, of *gon-Tenji* £20, of *Shonji* £15, of *gon-Shonji* £10, and so on in a descending scale.

The ladies-in-waiting rise, when on duty, at six o'clock, and an elaborate toilet has to be gone through, of which the *coiffeur*, dressed in the exacting but charming ancient Court style, is not the least important part. The ladies take an early breakfast, which is prepared by their maids, and then don their morning Court robes, which are generally of Western cut, the orthodox Japanese ceremonial robes being reserved for great ceremonial occasions. Each lady has the services of three maids for her toilet, which, as already related, have to be performed on the knees. This, however, is not really such a hardship as might appear, for in the first place all service before a superior, according to ancient custom, is performed on the knees, a practice to which the women have long been accustomed; and secondly, the furniture of the ladies' apartments being entirely Japanese, they themselves have to kneel on the floor before the little mirrors and dressing-tables. Immediately breakfast is finished the ladies proceed to the Imperial apartments for attendance on the Emperor and Empress. At 11.30 a.m. a tiffin is served to each in their rooms. This is, however, only a formality, for all the food eaten by the ladies on duty is sent to them from the Imperial kitchen, whilst that prepared for them by their own maids is remitted back to the maids for their own consumption. The food is always Japanese, served in Japanese style. At three o'clock in the afternoon fruits and sweet-meats are served, and dinner at five o'clock. All these meals are formalities in the same manner as the tiffin,

being sent out again for the delectation of the maids, whilst the genuine edibles are sent in from the kitchens. About three o'clock in the afternoon the ladies change into Japanese robes, which they infinitely prefer to the tight-fitting corseted dresses of the West, which rarely suit either their figures or their faces. Bedtime comes about ten o'clock, the period after dinner being devoted generally to conversation with the Imperial couple or to some kinds of parlour games or to versifying, of which the late Emperor was very fond and in which he was most proficient.

THE KYOTO ATMOSPHERE.

Nearly all—indeed there is only one exception—the Court ladies are the daughters of Kyoto nobles, which to a certain extent accounts for the effeminate atmosphere in the Inner Palace. Although the late Emperor was the ruler who introduced into Japan Western civilization and manners and removed his capital to Tokyo, then called Yedo, he himself, except on State occasions and for reasons of State, remained entirely impervious to Western influence, and, indeed, rarely allowed it to enter at all into his private life. If Tokyo was his residence and capital, Kyoto remained the home of his youth and his heart, and his private inclinations were strengthened by his being surrounded in his private life by Kyotan influences. Not only have the ladies-in-waiting been born of Kyoto stock, and thus inherited the traditions of the old capital, but no language except the Kyotan dialect is spoken within the precincts of the Inner Court. A knowledge of that dialect is a *sine quâ non* to entrance into Court service, even though the Tokyo dialect is the language of the State and the standard of the educational authorities. Even the sweetmeats for palace consumption are made in Kyoto, and no others are knowingly admitted.

AMUSEMENTS IN THE PALACE.

Except on the rare occasions when they accompanied the Empress Dowager to attend some charity function, or to visit some school, or acted as the Empress's messengers on occasions of congratulation or condolence, the ladies-in-waiting never leave the palace precincts. The result is that most of them are, very naturally, most ignorant of the affairs of the world, and even of things of the most common nature. The one lady who has been in a theatre is regarded as approximating to an adventuress. It is stated that the most anxious hope of some of them is to one day ride in a tramcar, their curiosity having been excited by the sight of those which run around the palace walls. What their state will be when they ride in the automobiles recently ordered from Europe for the use of the palace it is hard to prophesy. On the other hand, they are well read, as there is no longer a censorship on the books and papers introduced into the palace.

In order to counteract the hypochondriacal tendencies of a life so grooved as that of the Inner Court the Empress Dowager some years ago insisted on the ladies taking horse-riding exercise within the palace grounds. Some of them indeed attained considerable distinction in this, and one of them, the Lady Shogenji, though only of the lowest grade, *gon-Myofu*, was promoted, on account of her equestrian skill, to be Her Majesty's personal attendant when riding. It is related that this lady was so proficient as to be able to indulge in trick riding and the *haute école* for the enjoyment of the late Emperor, who when younger was himself no mean performer on horseback.

Fishing is another amusement at Court, for although the Chiyoda Palace has no provision for this the Hama Detached Palace, which is situated on the shores of Tokyo Bay, gives ample opportunities. The Empress Dowager is particularly fond of the sport, and in summer often drives across the city to the seashore residence to enjoy it.

All the ladies are encouraged to interest themselves in gardening, and each of them has a portion of the gardens allotted to her care. Quaint stories are told, some of them doubtless true and others certainly exaggerated, of the wilderness which formed the Imperial gardens on the arrival of the Court from Kyoto. Badgers, lynxes, and wild cats were abundant, and sufficiently wild to attack the women when crossing the gardens at night.

SUPERSTITION.

Although foreign influence and customs have obtained a considerable hold in Japan, there is still a great deal of attention paid to ancient tradition, superstition, and necromancy. During the illness of the Crown Princess a few years ago, and again during the last days of the Emperor Mutsuhito, the houses of fortune-tellers were thronged with visitors, from the highest to the lowest seeking to know the ultimate result. Indeed on some occasions the police had to clear the narrow streets to prevent the traffic being blocked. Again, the funeral of the late Emperor was originally intended for September 10th, but the augurers objected as this day is believed to be unlucky, and eventually the obsequies took place on September 13th and 14th, the latter of which was abominably wet.

It is a custom at Court in times of drought for the ladies to hang up in the trees in the gardens *teruterubozu*, or dolls of silk paper. These are invocations to the deities to send rain, and as they are left until rain does come may be presumed to be uniformly successful. When at last the rain descends the dolls are rescued, soaked in sake, and floated away down the moat.

In the palace is also preserved a quaint specific for headaches and stomach-aches. It consists of folding the leaves of the sweet rush in a bandage, which is then tied around the head or the waist, the while certain

charms are recited. It is related that on one occasion Admiral Count Yamamoto was visiting the late Prince Ito, and complained of suffering from a terrible headache. The Princess Ito overhearing the remark immediately sent for one of her maids, formerly in service in the Court, who had often claimed to have an infallible remedy for headaches. The maid, on learning the trouble, immediately prepared her bandage of sweet rushes, which she insisted on tying round the Admiral's head, to the immense amusement of his host and hostess.

Whenever the Emperor or Empress left the palace it was customary for the ladies to hang incantations for fine weather in the trees in the garden.

DRESS.

As already related, the ladies wear in the morning foreign dresses, as also whenever they accompany the Empress outside the palace. For a long time the dressing of the Imperial Princesses and of the ladies-in-waiting was entrusted to the Baroness Sannomiya, an English lady from Hull, who married the late Baron Sannomiya, who was Master of Ceremonies. In their own rooms and when in attendance during the afternoon or evening Japanese costume is worn. The *kimono* is always of white silk *habutaye*, which, by the way, is almost the regulation costume at Court, the Emperor and Empress both wearing the same when they don native costume. With the *kimono* are worn scarlet *hakama*, or petticoat trousers, and over these the *uchikake*, or long overdress with train. The *uchikake* worn by the ladies in their private apartments is very showy and elaborate, often with the most beautiful patterns embroidered on it in gold thread. (It is forbidden for any one in the Imperial *entourage* to wear purple, which by ancient custom has been reserved for Imperial persons only. This rule does not, however, apply outside the palace.) For attendance in the Presence the *uchikake* is not

generally so elaborate and gaudy as those worn in the private rooms, and there are certain strict rules with regard to patterns, which have to be selected in accordance with the season of the year. The *kakeshita*, or outer *obi*, is scarlet, and made of silk crepe. It would appear that the Court ladies are entirely ignorant of the fashions in vogue outside the palace, and very often they wear garments and colours which would attract attention in the most Bohemian circles.

THE LADY YANAGIWARA.

The principal ladies-in-waiting are the Lady Yanagiwara, the Lady Takakura, and the Lady Sono. The first named was the favourite lady-in-waiting of the Dowager Empress, and was chosen by her to be the mother of the heir to the throne when the physicians were insistent that her own hopes in that direction must be abandoned. Lady Yanagiwara is much beloved at Court not only for the above reason, but also for her gentle disposition and her consideration for her inferiors. At the same time she can, when necessary, command the strictest discipline. On the marriage of the Princess Sadeko, now Empress, to the then Crown Prince, Lady Yanagiwara was appointed her guardian, and during her ward's serious illness a few years ago she made a pilgrimage to the Grand Shrines of Ise and Yamada to pray for her recovery. Every day during the illness of the late Emperor she drove to the great Daijōji Shrine in Tokyo to offer up prayers and to undergo purification by cold water. She is now fifty-seven years old, her father having been the last *Kuge*, or Court noble, of his line.

THE LADY TAKAKURA AND FEMININE INFLUENCE AT COURT.

Lady Takakura is the oldest of all the Court ladies, being seventy-three years of age, and having been a

Court lady in the time of Komei Tenno, grandfather of the present Emperor. Throughout the last reign she was a great power at Court, and the late Emperor is reported to have relied very much on her wisdom and advice. She has the exclusive privilege of using a cushion when in the Presence, a concession to her age and a tribute to the Imperial admiration of her talents and perspicacity. She has been the stumbling-block in front of innumerable Chamberlains and Ministers of the Household who have striven to introduce a more liberal ozone into the Inner Court. When the late Lord Iwakura drafted a scheme of reforms which would have much curtailed feminine influence, he sent for the Lady Takakura, as First Lady-in-Waiting, and explained to her his intentions. She looked at him a little pityingly, and then replied: "My Lord, these things may be very well, but, when I take instructions, I take them only from my mistress, the Empress." That was the end of Iwakura's well-meant reforms, for he lacked the courage to run the gauntlet of the corps of ladies-in-waiting.

Prince Ito's reform schemes ended in failure in much the same manner, and thanks to the same lady, who easily proved that the influence of Ito over the Emperor was as nothing to that of the feminine element of the Court. This is the more extraordinary inasmuch as Ito's influence was very strong indeed on the late Emperor. He probably was the only statesman to whom the Emperor really opened his heart, and who in turn was not overawed by the latter's semi-divine attributes. It is often related that he had the custom of never removing his cigar when entering the palace precincts, to the horror of the attendants, who were to the last in doubt as to whether they should request him to throw away his stump or not. Again, he was accustomed never to remove his hat until he reached the ante-room to the Emperor's study, when he would throw it on the table, commanding the Chamberlain, "Tell His Majesty that Ito is come!" Ito really only suffered two severe

defeats—one by the Satsuma-Choshu combination of politicians, the militarists of to-day, and the other at the hands of the Court ladies. He saw well that the hot-house atmosphere of the palace must some time be cleared, but he himself failed to do it.

Count Hijikata, for long the Minister of the Household, was also severely rebuffed when he attempted to correct the morality of certain of the palace women. He took his complaints to their superiors, the ladies-in-waiting, but their only reply was to recall a certain delicious scandal having the Count and a famous geisha as the hero and heroine. Later, however, he obtained his revenge, for when the present Emperor was eight years old the Emperor Mutsuhito determined to remove him from petticoat influence and to have him brought up in a more modern and manly style. Hijikata was appointed his tutor, much to the resentment of his former foes, the ladies-in-waiting. Before accepting the appointment, however, he insisted on and obtained from the Throne, a promise that under no circumstances should interference with his conduct be permitted from the side of the Inner Court.

It is curious to learn that Count Nogi was by no means popular with the palace, the ladies of which were never able to accustom themselves to the ideas of his Spartan life and autocratic attitude toward women, especially in his treatment of Madame Shimada, the Principal of the Peeresses School, who objected to Nogi's plans to educate girls according to the old Japanese ideals, and who insisted that women of the present generation have to have a wider outlook than the women of old Japan.

THE LADY SONO.

The Lady Sono is probably the best known, by name at all events, of the ladies-in-waiting. She is a daughter of Count Sono, is still in the early forties, and ranks yet as one of the most beautiful women of Japan, even

according to Western standards. On account of her beauty, wit, and accomplishments she was one of the favourite attendants of the late Emperor. She is a brilliant poetess, and at the last Court Poetry Competition, held in January 1912, her verses on the selected subject, *The Crane on the Pine-Tree*, won the first prize from over twenty thousand sent in.

At Court she is known as 'The Lady of the Bottle Gourd Suite,' many of the Court ladies being designated by the names of the apartments which they occupy. The origin of the name is as follows : The late Emperor strongly objected to the introduction of gas and electricity into the Inner Palace, and as a result, as already mentioned, light is only obtainable from candles set in lanterns. In summer these latter are of paper, being made at Gifu, whilst in the autumn many of them are of hollowed gourds. One evening when walking in the gardens the Emperor was much amused to find a suite of apartments lighted by candles set in the gourds, on which comic figures had been painted. The antics of these as they swung to and fro in the breeze caused the most hearty amusement. Further examination proved the rooms to be those occupied by the Lady Sono, and they were promptly and Imperially dubbed 'The Bottle Gourd Suite.'

Amongst other accomplishments Lady Sono, who is a Buddhist, is an expert in the chanting of the Sutras. This was displayed in July, 1912, when the Emperor was ill. Every morning a lady, heavily veiled, appeared at the Honmonji Temple at Ikegami, and, sitting before the *shamidan*, proceeded to chant the Sutras with such admirable intonation that the priests came from their rooms to listen to her. When she had concluded they said that there was no Buddhist priest in Tokyo who could compare with her. Inquiry proved that the mysterious visitor was no other than the Lady Sono, *gon-Tenji*, praying for the recovery of the Emperor.

RELIGION AT COURT.

It is very curious to find that Buddhism is practised extensively at Court, and that there is even a splendid Buddhist shrine within the palace. It is generally assumed that as Shinto is the State religion it would be natural to find it exclusively patronized at Court. The Empress Dowager, however, is a firm devotee of Buddhism, to which the late Emperor also paid great respect. In this connection it must not be forgotten that Shinto as the State religion is a flower of recent growth, having been used by the statesmen of the Restoration to weaken the influence of the Shogunate and to centre all religious belief in the Throne. The Nichiren sect is the form of Buddhism mostly favoured at Court, though Lady Sono is a follower of the Hokke-shu. It is worthy of note that two of the sisters of the Empress Sadako married the Lord Abbots of the Hongwanji Temples at Kyoto, the largest Buddhist foundations in Japan, whilst at least one of the Princesses of the Fushimi family is Abbess of a Buddhist Convent.

That Court influence may be useful even in religion the following anecdote proves: The grandfather of a certain lady-in-waiting visited and died at the Chomyogi Temple of the Nichiren sect in Totomi Province. It was a very poor and obscure institution. His granddaughter visited her grandfather's grave, and on her return determined to copy out and present to the temple as a proof of her 'pietas' the eight volumes of the scriptures of the sect. The work was completed in two years, and very fine it looked on gilt-edged paper, with illuminated lettering, and bound in gold brocade. Just as the temple authorities were deciding that their home must totter onto its foundations and wind up its affairs the volumes arrived, conveyed by a Court messenger. The fame of the incident was noised abroad. Adherents gathered round. A subscription list was opened and eagerly filled up. Within a very short

time a brand-new, gold-lacquered temple was erected. Funds still continued to roll in, and, started by an act of filial devotion, the Chomyogi is now well on the road towards a rich and prosperous career.

Prince Katsura retired from the Lord Chamberlainship to resume the Premiership in December, 1912, and died in 1913, being succeeded by Prince Takatsukasa, whilst H.I.H. Prince Fushimi became Keeper of the Privy Seal. It was stated that Prince Katsura found palace life too dull for him, and it was freely rumoured that the ladies of the Court were not unconnected with his decision to exchange Court life for further adventures in the field of politics. Certainly in a conversation I had with him in January, 1913, he said that women were a good deal more difficult to manage than men. The Empress Dowager, Haruko, died in 1914.

CHAPTER TWO

POLITICS

PART I

ORIGIN OF THE CONSTITUTIONAL MOVEMENT

It is curious to recall that the immediate cause of the rise of a popular constitutional movement in Japan was due to the split among the leaders of the Restoration movement on the question of war with Korea in 1872. The majority of the Council of State, including Saigo, Goto, Itagaki, and Okuma approved of war, but their advice was overruled by Iwakura, Okubo, Kido, and Ito, who had returned from a diplomatic mission to Europe and America. The war party claimed that they had behind them the support of the nation, and resigned office to start a campaign against the arbitrary policy of their superiors. This culminated in a memorial addressed to the Council of State in January, 1874, criticizing the methods of administration and urging the advisability of establishing a representative system of government.

There is little reason to suppose that the memorialists were inspired by any patriotic feeling. Their sole desire was to embarrass the Government and drive it out, in which case they would have been able to enforce their rejected policy of a Korean war. They exploited the discontent of the *samurai* and the people for their own advantage, regardless of the fact that they themselves had been responsible for the crude financial steps which were the origin of the popular unrest.

The sentiment of that first movement has, unfortunately for Japan, remained the inspiration of all succeeding political movements. It has been pungently claimed that the duty of an opposition is to oppose, and if this is a true presentment of political doctrine no one can object to the tactics of the oppositions in Japan. It is a justification of a perpetual warfare between the 'ins' and the 'outs,' and has no relation to the good of the country. Especially must this be the case in a country entirely new to all forms of constitutional government, and where the would-be politicians were themselves babes struggling with the A B C of political theories.

The constitutional leaders were trying to run before they could walk. As I have stated in a previous chapter, the abolition of feudalism necessitated the institution of some sort of popular representation. Before that abolition the people delegated, if serfs could delegate, their interests to their lord, who was responsible for them to the Shogunate. Once the *daimyo* lost his authority over and interest in his tenants and serfs, the latter lost any claim on him to be their representative near the administration. And even though the influence of the council of the *daimyo* was more nominal than real, there was a final appeal over the *daimyo's* head to the Shogun himself. Though under the cruel Tokugawa laws this appeal resulted disastrously to the individual appellant, it was nevertheless an effective one, for it must be remembered that to keep the people contented and industrious was a cardinal aim of the Shogunate policy.

When the Western oligarchy secured the administrative power to themselves they abolished feudalism in order to curb any ambition on the part of other *daimyo* to rival them. The establishment of some sort of a popular government had no place in their programme. They soon found, however, that some form of popular representation was a necessary corollary to their own actions, and actually the leaders of the clans,

in especial Kido, after the return of the Iwakura mission from Europe, suggested the introduction of some form of constitutional government based on Western ideas.

The most curious point about these early movements was their disconnection from any idea of financial control. It does not seem that either then or at any other time any political party in Japan has adopted as its slogan the principle of 'No representation, no taxation,' or, after the representation had been granted, the right of the nation's delegates to control the national expenditure. With the possible exception of Russia, there is no other country where the people have less power, in theory or in practice, over the taxation and distribution of the funds. This is abundantly evidenced by the fact that finance has been the national problem for the past ten years, the first and second Katsura, the first and second Saionji Cabinets ultimately falling on account thereof. Yet beyond occasional painfully insufficient reform programmes nothing has been done to put the finances on a sound basis, and nothing whatsoever has been attempted by any political party to insist on such reforms being undertaken. Neither the leaders of the movement in 1873 nor Kido nor Ito had any glimmering that true popular representation inevitably connotes financial control. The cause of this lacuna in their doctrine is partly to be found in the absence of an effective monetary system, partly owing to taxation in the past having represented enforced 'offerings,' partly in the people not having realized their separate entity, and partly in the fact that the earlier constitutionalists understood the practices which they preached about as much or as little as a parrot understands the phrases he is taught.

I once had a German cook who possessed a knowledge of English. When I had occasion to speak to her she used to fire off about twenty or twenty-five phrases, all more or less connected with cooking but absolutely disconnected in sense or context. The constitutionalists were very much the same. Some had

visited Europe, and they studied superficially the representative institutions of the West. On their return they preached catchwords and phrases, without understanding what they really meant. This lack of reasoning power remains to-day one of the marked liabilities of the Japanese.

The attitude of the clans towards the movement was characteristic. Men like Kido, Ito, and Inouye were mentally alert enough to realize that popular representation must eventually be admitted, but they recognized that the country was not yet sufficiently advanced for constitutional government in the Western meaning of the phrase, and that when such a time should arrive the concession of constitutional government would involve the downfall of the clan system. The Imperial Household Department inspired an article by Dr. Kato Hiroyuki in the *Nichi Nichi Shimbun* developing the first of these arguments, in which it said: "Public opinion is not necessarily a wise opinion nor a correct opinion. The object of a deliberative Assembly is the legislation of such laws as shall place the peace and prosperity of the nation on a firm basis. I think that there would not be more than sixty or seventy men of distinguished ability or knowledge in the whole nation. It is impossible for these sixty or seventy men to be taken as a standard of the whole thirty millions of the population. Therefore, though the officials are not conceited and arrogant, as alleged, it cannot be wondered at if they think they are, at present, indispensable in the management of all affairs of State."¹

The policy of the clans, therefore, was to maintain themselves in possession of the power, and when the day should come when the clamour of the people must be met, to grant such a form of constitution as would keep the power in its existing hands whilst apparently yielding it to the people. Whilst the bureaucrats would recognize that there was a popular will, they alone should be competent to interpret that will.

¹ Uehara, *Political Development of Japan*.

The enunciation of these views showed the seceders that they had nothing to hope for from the Government. They therefore retired to the country with the intention of educating the nation towards the ideals they had set before themselves. How far the memorialists as a body were dominated by the desire for power and how far by a real devotion to political science may be judged from the attempt to assassinate Iwakura in January, 1874, by the Saga rebellion in the following year, and by Saigo's provocative actions, extending over three years, which culminated in the Satsuma rebellion of 1877. Itagaki and Goto were the only two prominent memorialists who really devoted themselves to the political education of the nation. The opposition measures necessitated a certain amount of concession by the Government, including the establishment of the Senate as Legislative Chamber and of a Council of Prefectural Governors as an advisory body, whilst the judiciary was nominally made independent of the executive. Itagaki was brought into the Government as an Imperial nominee, and it is evidence of the power the Imperial name was acquiring that he accepted office in a form of government which conceded nothing whatsoever to his own views. (He resigned office in 1876.) But if the clansmen were willing to grant something apparent, they were strenuous in checking the real aims of the democrats. In 1875 a new Press Law and Law of Libel were passed, and a reign of terror was inaugurated against journalists and political agitators and associations. During July, 1875, every editor in Tokyo was arrested at least once, and either heavily fined or imprisoned.

The statesmen of the early years of the Restoration clearly realized that knowledge is power and that the distribution of political knowledge is the way to corner political influence, and they had no intention of allowing anybody but themselves to make that corner.

What they did not understand was that representation of the people had eventually to come, and that any

efforts of theirs to cheat the natural development of affairs would be as successful as Canute's efforts to check the tide. The more they gagged the Press and burked criticism the stronger would the opposition become. Fear is the advance guard of reform, and they could no more evade the awakening conscience of the people than they could regain the Treaty ports. Every editor arrested, every newspaper suppressed, every petition rejected was a new milestone on the path of progress. When a famous divorce barrister died some years ago *The Times* obituary notice began: "No woman knew how deeply she had been wronged until she heard Ingersoll, K.C., open her case in court." Equally no arrested Tokyo editor realized how deeply the freedom of the Press had been outraged until he read the comment of his contemporaries after his release. Whilst the early enthusiasm of the Japanese Press in the cause of liberty was superficial and fictitious, an expression of that enthusiasm for Western ideas, good, bad, or indifferent, which was then so marked a feature of Japanese life, the trials and tribulations of the journalists provoked a spirit of study which gave rise to steady convictions. A school of real political thought came to the front, and was supported not only by students and professional men, but obtained the backing of a very large number of the people, who were exasperated by the economic depression of the country, a depression deepened as a result of the Satsuma rebellion.

The first political movement, as I have said, was brought to a head by a split in the clans. The second followed the same course. After Saigo's defection Kido and Okubo were supreme in the council at Tokyo. Kido died in 1877, Okubo was assassinated in May, 1878. Okuma Shigenobu, the Foreign Minister, was at the head of the government. Born in 1838, he was a clansman of Tosa, and a prominent member of the administration which succeeded the Shogunate. As Minister for Foreign Affairs he proved himself a bureaucrat among bureaucrats, and was frankly out-

spoken in his detestation of the doctrines of Fukuzawa Yukichi and Itagaki Taisuke. Such phrases as "By nature all men are born equal" or "Government is instituted for the people and should be conducted by the people," smelt and spelt rank heresy to him, and as a Minister of State and a good clansman he had officially and unofficially frowned on them. From the revolution of 1867 until 1873 the four clans, Satsuma, Choshu, Hizen, and Tosa, had monopolized the power as what was called the Sat-cho-hi-to Coalition, and even until 1876 seven-eighths of the public offices were held by their partisans. In 1873, however, this combination had been broken up by the split in the Council, and Sat-cho ruled the roast. Okuma, though a Tosa man, had been retained in office, but with the deaths of Kido and Okubo he saw an opportunity of gaining for the two smaller clans the control of affairs. He swung right over to the popular party and put himself at the head of the constitutional movement, and actually impressed Prince Arisugawa and Prince Iwakura with the advisability of setting up an elective national assembly in 1883. So cleverly and secretly did Okuma carry out his intrigues that an Imperial Edict was on the point of being issued when Iwakura suddenly decided to hedge unless Ito and other statesmen agreed. Then the fat was in the fire. The Sat-cho leaders realized that a sudden acquiescence to the popular demands under the auspices of Tosa would completely wreck their own predominance, and they consequently set themselves to destroy Okuma's influence. In the usual manner of Japanese politics, a red herring was drawn across the track. An attempt was made to divert the public energy and agitation from the constitutional movement to a proposal of Kuroda, President of the Colonization Board, by which the government undertakings in Hokkaido, which had cost the country ¥14,000,000, would be sold to the Kwansei Boeki Shokwai, a private concern of Kuroda's, for ¥300,000. The Ministry split, and Ito, seeing that the popular movement, battering on the

exposure of the graft scandal, was getting out of hand, stole Okuma's thunder and advised the Throne to call a national assembly, but in 1890 instead of in 1883. Simultaneously Okuma was kicked out of office so that he should have no share in the public gratitude for the promise of a Constitution.

A BONE WITHOUT MARROW

With the Imperial Edict of October 12, 1881, which commanded a national assembly to be summoned in 1890, the constitutionalists considered that they had gained their object. The great work of the government thereafter was to prepare for the innovation by drafting a Constitution. In March, 1882, Ito was sent to Europe to study the various political institutions of the West with the view to either selecting that most suitable in its entirety or of drafting a Constitution embodying the most suitable features of the Western systems. He returned in August, 1883, so that, allowing for a two-months voyage each way, just twelve months was devoted to a personal examination of the political conditions in England, America, France, Belgium, and Germany.

A couple of years ago a very prominent lawyer who has held high office in America was banqueted by a barristers' club in Tokyo, and presented with a copy in English of the Constitution with Ito's commentaries thereon. A day or two afterwards he met one of his hosts and said to him, "I have read that book of Ito's with great pleasure and greater interest. There's one thing I want you to enlighten me on, for as a good American I'm interested in it." "Well, I will explain anything I can," replied the Japanese barrister. "What is it?" "I only want you to point this out to me—where do the people come in in your Constitution?" "Ah!" and the Tokyo lawyer smiled, "that's the clever point of our Constitution. They don't come in at all in practice. It's what you call 'a bone without

marrow.' " How did it come about that Ito was able to force on Japan a Constitution which more than anything else crystallized the power in the hands of an oligarchy, acting in the name of the Throne, and yet at the same time successfully deluded the people into the belief that they were receiving that for which they had asked?

As regards the latter part of the question, a great majority of the people were apathetic, unwilling to look a gift horse in the mouth, partly because the Constitution was an Imperial gift, partly because they were incompetent to criticize or reactionary against the extremes to which the political discussions had led. Those more actively interested and capable of adequate criticism had been banished or otherwise gagged into silence.

Ito was a clansman, one of the Sat-cho Coalition, and it was to them that he owed advancement. The first duty of every Japanese is to show proper gratitude to his patron. Although Ito was beyond personal patronage he was not unmindful of the rights or, rather, the claims of the two clans, and he was therefore careful not to damage their position in the country. Secondly, Ito was one of the band who had made the Restoration in order to exercise power through the Emperor, and he had no intention of setting up, or even conniving at setting up, a democracy to rule the monarch.

With the exception of these two ideas pigeon-holed away Ito had an open mind on constitutional systems, with a possible sympathy (before his travels) for the English form, which was then very popular amongst the would-be politicians of Japan. His visit to London very soon converted his sympathy into a dislike, for a Constitution where the power lay entirely with the people was no suitable government for a Sat-cho adherent to recommend. In Berlin he found something extremely to his liking and a man at the head of it after whom it became his earnest desire to model himself. Bismarck had evolved for the German Empire, and Prussia in

particular, a Constitution admirably suited to Ito's requirements, and reinforced by a bureaucratic administration and a graded nobility which, if they could be transferred to Japan, would tend completely to keep the people in what the clans conceived was their proper place.

The Constitution of Japan is remarkable for two reasons. In the first place it was a gift from the Sovereign, and was not extorted in any manner by either the aristocracy or the people. Secondly, it was worked out in the completest secrecy, and even within the sacred precincts of the Imperial Palace, by a special bureau attached to the Imperial Household, consisting of Ito, Inouye Ki, Kaneko, and Ito Miyogi. Ito represented the clans, and to a certain extent the Emperor; Inouye represented, or was supposed to represent, advanced political thought, on the strength of his having in Kyushu a local political party with a platform opposed to Itagaki and Okuma, and advocating a two-chamber system subject to the absolute veto of the Throne; Kaneko, on the strength of a Harvard education, represented Western thought; whilst Ito Miyogi was the nominee of officialdom pure and simple. The draft of the Constitution was subject to revision by the Privy Council of which Ito was the President. Amongst the list of members there was not one name representative of the popular movement in Japan. The whole object, as Kaneko has left on record, was to prevent any popular interference in the work or any influence from public opinion. The Constitution, as a result of its drafting by these carefully selected committees, composed entirely of reactionary clansmen, aristocrats, and officials, far from being an instrument of freedom and progress, emerged as a document cloaking under fine language and empty phrases the traditional policies of the Shogunate and the oligarchy which rules in its place. The representative institutions provided for in the Constitution are absolutely bogus in practice. The power allotted to the people is nil, and the possibilities of the people legally developing power without amend-

ing the Constitution are also nil. The only positive effect of the Constitution is to confirm in words as the written law of the land the traditional sovereign power of the Throne, the idea of which is inherent in every Japanese mind. The absolutism of the monarch, which until 1889 had been traditional, became perpetuated as the fundamental principle of the new order of things.

I have no intention here of examining in detail this extraordinary document, which riveted the bonds of clannism on the nation, but it is in itself so indefinite, so contradictory, and so illogical that its drastic renovation is considered in Japan as the only possible cure. A Japanese jurist, Dr. Shimizu, has recently computed that there are forty-eight major faults in the Constitution, by major faults being understood articles contradicted by other articles, articles directly conflicting with other articles, articles capable of dual interpretation, and articles capable of no exact interpretation at all.

If the powers of the Throne and the Diet are compared it will be seen that the Throne is the head of the executive and the legislative, and possesses an absolute veto ; has power to legislate without the Diet and complete and absolute control over all civil and military officials, of the army and navy, and of foreign affairs and of all patronage. (The only power subtracted from the Imperial authority is the suspension or amendment of laws, which can, however, be accomplished by the powers invested in the Privy Council or by proclaiming a state of siege.)

The Diet has the right to meet once a year for ninety days, and to initiate (subject to veto or non-promulgation) legislation, and to petition the Throne. In theory the Diet should control the national finances, in practice it does not, all expenditures based upon the sovereign powers of the Throne (as administrative, naval and military and Foreign Office expenses), all expenses which arise from the effect of laws, and all expenses appertaining to the legal obligations of the government (interest

on National Debt, sinking fund, redemption of bonds, subsidies, compensation, etc.) being excluded from reduction or rejection except with the consent of the government. In case even these exemptions should put too much power in the hands of the Diet, the Throne may take all necessary financial measures in cases of urgency, as when the Diet cannot be convoked, by means of Imperial Ordinances. When the Diet does not vote on the Budget an Imperial Ordinance authorizes the Budget of the previous year.

This brief summary shows in concise form how Ito so arranged the Constitution as to give the Throne all of the power and the people none.

As a writer in the *Taiyo* put it : "The principal duty of the Japanese people under the Constitution is to elect representatives to say 'Yes' to the government."

In case the House of Representatives should find some loophole by which it might be able to dictate an undesirable measure to the authorities, Ito added a second chamber, the House of Peers, 'to check the evil tendencies of irresponsible discussions' in the Lower House, or, in plain English, to act as a first crusher in any conflict between the authorities and the representatives without the former having to use the Imperial veto or other measure of direct repression. The composition of the Upper House as Ito planned it was admirably adapted to his purpose. There were 201 hereditary and representative Peers, all owing their rank to himself and conservative by the nature of things ; 122 Imperial nominees, 40 of whom are peers, all officials and ex-officials, and therefore allies of bureaucracy ; and 45 representatives of the highest taxpayers, conservative by their alliance with land and vested interests.

Such was the Constitution Ito practically borrowed wholesale from Prussia and gave to Japan, reinforcing its conservatism by a Cabinet system as that of Prussia, a Privy Council with extraordinarily wide powers and a graded nobility, under the control of a Bureau of the Imperial Household.

THE MATRIMONIAL MACHINE

In 1911 the principal parties in Japan were the Seiyukwai and the Nationalists. The former held an absolute majority in the Lower House, and consequently ruled the political field, a position of which they took very full advantage.

The Seiyukwai was a party composed of, and drawn from, a number of smaller parties, the principles and programmes of which it is almost impossible to differentiate. Out of the years of intrigue and turmoil which had preceded and followed the promulgation of the Constitution two chief parties had emerged, led respectively by Itagaki and Okuma. In the main their platforms were similar, but Okuma jibbed consistently at the theory of Ministerial independence of the Diet. Neither of these parties, nor, for that matter, any other party, retained its title for much more than a session at a time, and the frequent changes of name are consequently an irritating source of confusion to the student. The party led by Itagaki may be described as Liberal, whilst that of Okuma was Progressive. In 1895 Ito abandoned, as the result of experience, the theory that a Ministry can carry on business in the Diet without some party support, and made an alliance with the Liberals, and was further supported by small official and semi-official cliques. In spite of this the Privy Council would not allow either Ito or any member of his Ministry to be a member of a political party, and when Itagaki was brought in as Minister of the Interior he had to sever his official connection with the Liberals. The Ministry fell owing to the failure to find a Foreign Minister, the Liberal ex-leader refusing to sit in a Cabinet with the Progressive leader, Okuma, who was the only fit man. The Matsukata-Okuma Cabinet which followed controlled one session of the Diet by means of a majority composed of the Progressives with the official and semi-official pendulum, which regularly supported the government in power. It fell after eleven

months on the old question of Ministerial responsibility. Its existence at all was a marvel of ingenuity, for Matsukata was a typical clansman, and Okuma's views on the subject of Ministerial independence had not changed. A second Ito Ministry was a fiasco, and, after a coalition of Liberals and Progressives, was followed by an Okuma-Itagaki Ministry, which fell after a few months as the result of a quarrel between the parties over the distribution of the spoils of office. Yamagata, the leading clan statesman, succeeded to the Premiership, and was forced by circumstances to make a temporary alliance with the Liberals to obtain an urgently necessary increase of revenue. Though ready enough with cash bribes, he refused to give party men offices, and in September, 1900, he resigned, as a result of the formation of the Seiyukwai under the leadership of Ito. This statesman, a bureaucrat at heart and a firm believer in the bureaucratic system of government, realized its impossibility unless there was a strong party subservient to officialdom in the House. He recognized that the Liberals were willing to accept any arrangement which would provide them with an adequate solatium for the abjuration of their principles. Unlike the Progressives, they had never opposed the government on purely political grounds. They wanted an *entente* with some leading statesman for material purposes. Ito wanted a party behind him to which he could dictate orders and on whose implicit obedience he could rely. That was the bargain struck. Ito and Yamagata were fighting for power, and the former hoped that by controlling the Diet he would achieve it. He was mistaken. He had little trouble in the Lower House, but the Peers were staunch supporters of the clans, and their opposition was only overcome by the use of the Imperial Rescript. He fell in April, 1901, and never again exercised any real power, though his advice as a Genro was frequently sought, and almost as frequently ignored, and he continued to wield considerable personal influence over the Emperor.

The appointment of Viscount Katsura as Premier marked two important changes. The Elder Statesmen retired from the public arena, and henceforth officiated as wire-pullers behind the scenes. Through the Privy Council they exercised all the necessary authority to hold up measures of which they disapproved, and as Genro-in and patrons of the younger men they were able to influence the actions of the government in any direction desired. Secondly, it became an acknowledged fact that an alliance must exist between a leading political party and the government if the State business was to be carried on even quasi-constitutionally.

As Katsura was the nominee of Yamagata, Ito did everything in his power to embarrass his policies, even to the extent of negotiating an alliance of Liberals and Progressives. He failed miserably, however, because Katsura met the attack by the simple expedient of dissolving the Diet, a measure which is a Premier's trump card in a country like Japan where the Ministry is not responsible to the majority of the House. To prevent further mischief from Ito he was made President of the Privy Council, and Marquis Saionji left that post to become the leader of the Seiyukwai.

At the time of the revolution in Portugal Dr. E. J. Dillon sent an illuminating message to the *Daily Telegraph* showing how the government in that country was conducted. The Cabinet Ministers and the Directors of a National Bank were the exchangeable factors. When each Cabinet had misgoverned long enough the Directors became Ministers and the Ministers Directors. The changes were always rung on the same combination, whilst a majority of the Parliament, subservient to any ministry which could raise money enough to pay the blackmail demanded, provided a voting majority. A similar system prevailed in Japan from 1903 to 1913. The Seiyukwai provided the requisite parliamentary control, receiving adequate reward for services rendered in the shape of offices, subsidies, bribes, and decorations. Meanwhile Katsura ruled the country, either in office or

out of office, through Marquis Saionji. When Katsura's autocracy and financial recklessness reached a point which might well be described as the limit, the Cabinet resigned, and Marquis Saionji was sent in as a scullery-maid to clean up. When the public susceptibilities had been sufficiently smoothed down, back went Katsura into office. This method of affairs might have continued long after 1913 but for a quarrel between Katsura and Yamagata, a split in the Choshu ranks which was taken advantage of by the Satsuma statesmen to assert to themselves a predominant position, which, however, they were unable to retain for more than a year.

The Genro Council has no place in the Constitution at all, but it has been all-powerful in Japan from 1881 until now. It is an informal assembly of those elders of the State who have acquired particular merit in the series of historic occurrences which have raised Japan to her present position. Needless to say it is composed of clansmen from Satsuma and Choshu, whose influence pervades Japanese affairs through every stage of life. They have their nominees in every public department, and each has created around him a network of instruments by clan relations, by marriage or by patronage. Though feudalism is abolished, the feudal system remains practically intact, and it will be many decades before it is thoroughly uprooted from Japanese soil and politics.

The principal Genro are Field-Marschals Princes Yamagata and Oyama, Marquis Matsukata, Marquis Inouye, and Admirals Counts Kabayama and Yamamoto.¹ Count Okuma and Marquis Saionji have by their services and rank attained the position of Genro, but for obvious reasons have never been invited to take part in their discussions. Both are constitutional statesmen who are hateful to the clansmen, whose principal aim has been to repress every form of government which might be considered as a concession to the popular will. Count Kabayama never now, and Prince Oyama but rarely, join the conferences, the former having retired

¹ Yamamoto is generally only summoned to discuss naval affairs.

from public life after the Chinese War, whilst the latter holds aloof from all political discussions on account of his Satsuma birth clashing with his Choshu professional sympathies.

The Genro who count in active politics are therefore Yamagata, Inouye, Matsukata.¹ During his lifetime Prince Ito was a regular member of the council, whilst the late Prince Katsura was from time to time called to the board. These men are the real rulers of Japan, and have by the merit of their services, by the loyalty of their clansmen, and by nepotism secured the practical control of Japanese administration and education. This latter is extremely important, because it means that the ideals and objects of the Elder Statesmen are spread through the universities and schools, and thus become the ideals and aims of the nation. The object which the clansmen have had in view has been to make the educational institutions of the country training schools for the bureaucracy.

It is easily understandable that in a country emerging from many centuries of feudal rule, feudalism, though legally abolished, cannot be immediately eradicated. The instincts of the clans remain unimpaired, and Satsuma men to-day look to the lords of Satsuma for protection and sacrifice themselves for their lord's protection as in days gone by. To this form of feudalism has been added another and a more modern form. The marriage mart is an important consideration in Japanese politics. The various Genro could never have obtained the hold they have on the administration except by the alliances which they have been able to form. In a country where polygamy has only recently been abolished, and where concubinage is still not unknown, matrimonial alliances form a strong network of defence. No student of Japanese politics can possibly afford to ignore this question.

Yamagata's acknowledged policy has been the repres-

¹ Only Yamagata and Matsukata of the old group are still alive. Saionji and Okuma have now (1917) been appointed full members of the Genro Council.

sion of public opinion, consistent and determined opposition to popular representation, the development to the uttermost limit of bureaucratic government, and control by the military party of the colonies. He has, to obtain his ends, backed the Choshu influence by a family clique devoted to the furtherance of his aims. Baron Hirata, Doctor Baron Kato, Mr. Yasuhiro, Baron Hamao, Viscount Shinagawa, Baron Funakoshi, Mr. Kingoro Kawamura, and the late Mr. Hagiwara, all relations of Yamagata, formed the nucleus of this clique. Baron Hirata, described by Japanese writers as having the demeanour of a village pedagogue, is a son-in-law of the Viscountess Shinagawa, a niece of Prince Yamagata. He was the Home Minister who, when it was necessary to throw open the Civil Service to the people, drafted the regulations which, in fact, kept it a close corporation. Isaburo Yamagata, the adopted son and heir of the Prince, is Vice-Governor-General of Korea and son-in-law of Baron Hiroyuki Kato. Baron Kato was for years President of the Imperial University, where he inculcated into students and staff the principles contained in his apologia for the Senate,¹ written when an official of the Imperial Household. Baron Kato, as the Genro of education, disposes of an immense amount of patronage in the universities and schools. In addition his sons hold influential positions—Terumaro is Physician to the Emperor, Haruhiko is a Manager of the Bank of Japan, Toshio was a Commissioner of Prefectural Government. His five sons-in-law are well up in the world—one is Prince Yamagata's heir, another Councillor of the Home Department, the third a Chief Engineer of the Railway Board, the fourth head of the Kyushu University, and the fifth professor at the Tokyo University.

Mr. Yasuhiro Ban-ichiro, before he married a niece of Prince Yamagata, was a teacher of English in a high school. He rose quickly on the wings of Hymen, becoming a Secretary to the Cabinet, then Councillor

¹ V. p. 79.

of the Legislative Bureau, President of the Bureau for Common Schools, Chief Secretary to the Cabinet, in quick succession until, ten years after his marriage, he was nominated a Member of the House of Peers, a dignity which was doubled during the next ten years with the Vice-Ministership of Agriculture and Commerce.

The late Mr. Hagiwara was a nephew of the Prince, and held several important posts, until at his death he was Director of Commercial Affairs at the Foreign Office. His wife was the daughter of Mr. Hamao, a Councillor in the Education Department. The alliance was contracted in 1881, and thereafter Mr. Hamao became Vice-President of Tokyo University, Director of the Special Bureau for Reform of Education, Member of the House of Peers, Minister of Education, Baron, and again President of Tokyo University after the strike of the professorial staff.

Baron Funakoshi was mixed up in a graft scandal during the early years of Meiji, and Yamagata, who was Minister of Military Affairs, protected him. Funakoshi's son is married to a daughter of Yamagata, and Funakoshi senior decorates the Privy Council, whilst his son's career in the Foreign Office has been already carved out.

Viscount Shinagawa (Yajiro) was the Minister of Home Affairs in the Matsukata Cabinet of 1892, who was forced to resign for interfering with the freedom of elections and provoking riots in which 25 persons were killed and 388 wounded. He married Shidzuko, another niece of Yamagata, and his son has married into the Matsudaira family.

A *résumé* of the Yamagata connections shows that his influence is particularly strong in the army, which is, of course, the Choshu playground, in the colonies, also a monopoly for that clan, in the Home Office and in educational circles. In the Privy Council, of which he is President, in 1913 he directly controlled, either by clan or family influence, eleven out of twenty-six votes, and he could certainly count on the support of one of the three remaining groups, Katsura, Satsuma, or the Imperial Household.

In the Genro meetings Inouye and Ito generally held together, for they were closely related by family ties and clan sympathy, but also by a bosom friendship dating from the days when they secretly visited England. They both coquetted with representative government, and thereby incurred Yamagata's wrath. Ito did so because he recognized that representative government must eventually arrive, and it was better to control it than to be controlled by it. Inouye was a man of very different calibre, and more content to hide his light under a bushel; he preferred whenever possible to be the power behind the *shoji*. Much surprise has been expressed that he never held the post of Premier, but there never arose any reason for him to do so. As the Choshu Premier of autocracy Yamagata was always there; as the Choshu Premier of a mitigated form of popular government Ito was sufficient. The split between Yamagata and Ito, originating in the latter's concessions to democracy, was widened by Inouye's close alliance with Ito. Yamagata was successful in securing Ito's fall, but it in no way improved his own position, for Katsura, his trusted henchman, was matrimonially allied to Inouye, and in 1912 fell a victim to Inouye's persuasion and became an adherent of party government. It is remarkable evidence of Yamagata's conservatism that in his matrimonial ventures he never made, or attempted to make, an alliance with a leader of any political party whatsoever. That Viscount Shina-gawa became the leader of the Kokumin Kiokwai was an accident, resulting from the incidents of 1892 referred to earlier, and his party consisted solely of out-and-out adherents of bureaucracy.

THE LATE MARQUIS INOUE

Born in 1835 in Nagato Province, second son of Inouye Mitsusuke, a *samurai* of Choshu Inouye Kaoru¹

¹ Inouye, like Ito and according to Japanese custom, changed his first name, and at various periods of his life was known as Bunda, Montu, and Kaoru.

was from early days a bosom friend of the late Prince Ito Hirobumi. Together they attended the school of Yoshida (Torajiro) Shoin, the leading advocate of Imperialism in the Choshu clan, and later they were sent by their feudal lord to Nagasaki to study military arts under the Dutch officers attached to the factory on Deshima Island. After the execution of Yoshida Shoin at Yedo, on account of his anti-Tokugawa actions Inouye, Ito, and Yamagata Aritomo were attached to the suite of Kido Koin, the Choshu representative at the Shogun's court. Under such auspices the young men were bound to be severely anti-foreign, and they were leaders of the malcontent band which burned down the British Legation at Shinagawa. After this futile outburst the passions of the young patriots cooled down, and they began to examine foreign affairs with a less prejudiced mind. Ito gave himself up to the study of English, whilst Inouye attended the lectures of Sakuma Shozan on the necessities of naval expansion.¹ Finding it impossible to make any headway in the seclusion imposed upon Japan by the Tokugawa laws, the latter determined to proceed secretly to Europe to study the foreign systems of government, and having obtained the private but unofficial consent of Prince Mori, head of the Choshu clan, persuaded Ito and three other young men to accompany him.

To decide on the journey and to carry out the decision were two very different matters, and the adventurers had a number of difficulties to surmount before they were safely on board ship. Ito has left the following interesting narrative of the event :—

Knowing that the only way to secure the passage was to appeal directly to foreigners, we did so. We sought a certain Mr. Gower of an English firm, Messrs. Glover and Co., who spoke Japanese well, and

¹ Sakuma advised Inouye to go abroad and see the hated foreigner for himself. He had given similar advice to Yoshida, who had been arrested, whilst trying to get aboard one of the ships of Perry's squadron, was exposed in a cage by the roadside and later decapitated.

we were fortunate enough to be successful. The five thousand Japanese dollars we had had been exchanged for eight thousand American dollars. We carried this in a draft, leaving only a small amount in cash for our incidental expenses during the voyage. Thus, after everything had been arranged, we went to Kanagawa and slipped into a tea-house called Shimodaya, which was well patronized by the clansmen of Choshu, and there we disguised ourselves as merchants.

After entrusting our swords to the keeper of the tea-house, we went secretly to Yokohama, where we secured a lodging and made our preparations for the trip. We went to a European store, which was only a little junk shop, and tried to buy shirts and suits, but in those days there was nothing decent to be had, and we were compelled to buy all second-hand things which had been worn by sailors. The shoes we bought were each big enough to hold two feet! Imagine how funny we must have looked in this attire, with our *Chonmage* (top-knot) still on. On the night of May 11th we were summoned to the English firm and were told to wait until the captain had finished dinner. So we complied with our instructions, and I remember we hid in a corner of the hill which runs beside the embankment behind the Company's offices. Whilst thus waiting each of us went off in turn and had our hair cut. This made us look all the worse and funnier. About midnight Mr. Gower came and told us that, after consultation with the captain, that person declined to give us passage, as it was against the laws for Japanese to leave Japan. We appealed to him very earnestly, and finally told him that after thus cutting our hair we would be arrested and executed by the government, and we showed our determination to commit *hari-kiri* on the spot rather than be disgraced and beheaded by the officials. At this determined appeal Mr. Gower became alarmed and made another attempt to induce the captain to give us passage. The captain finally agreed to do so.

At about two o'clock in the morning of May 12th, when everything was quiet, the captain and Mr. Gower led us toward the wharf. Mr. Gower was trembling for fear of discovery by the Japanese customs officials whose office we had to pass by, but he instructed us to respond loudly in some jargon whenever he spoke to us, so as to pass ourselves off as foreigners. We followed his instructions, and finally reached a boat at the end of the wharf which took us to the steamer.

This however was not all we had to suffer, for a customs' officer was stationed near the wharf. So we were hidden in a small hole right behind the engine-room, and did not come out until the steamer was passing Kwannonzeki at the entrance of the Bay of Yeddo. At day-break we were told to come out on deck, but trouble never ended, for we encountered so rough a gale that we were unable to eat anything during the whole voyage, because of sea-sickness.

On arrival at Shanghai the party of five divided. Ito and Inouye signed on with the sailing ship *Pegasus*, their three comrades going aboard the *White Adder*. The voyage to London took them round the Cape of Good Hope, and lasted four months and three days, a period which taught them something of navigation and more of English. They were signed on as ordinary sailors as a result of a misunderstanding. Asked their object in going to England, Inouye had replied, 'To study navigation,' whereas he had meant to say, 'To study naval affairs.'

In addition to swabbing decks, reefing yards, and the use and abuse of the English language, the adventurers learnt a good deal of human nature, and more of card games as played in the fo'castle. One of the stock stories the late Marquis used to tell was of how they lost all their ready funds to their shipmates at euchre, except five dollars, with which they stepped ashore at Gravesend one cold morning. Hungry, they went to a baker's shop and asked for bread, holding out the five dollars and trusting the baker to give them the right change. "He gave us each a loaf," he said, "but I am still waiting for the change."

In London the party lodged with Dr. Williamson, Professor of Chemistry at London University. It was whilst in his house that they received letters informing them of the proposal of the Choshu clan to declare war on the foreign Powers. Shortly after this news reached England of the attack on foreign warships in the Shimonoseki Straits. Ito relates the incident as follows :—

One day a member of the Professor's family, who was reading *The Times*, suddenly asked us as to our birthplace, and if Shimonoseki was in Choshu. The questioner told us of the firing upon foreign warships by Choshu warriors, whereupon I asked Inouye to read the paper carefully. We were all astounded when the situation was realized. Our observation of the Observatory at Kew Gardens, the gun factory and shipyard at Greenwich and other places reminded us of the incomparable advance of the Western nations over Japan. We recognized the catastrophe which must fall upon Choshu in trying

to wage war against such great Powers. The attitude of the English Parliament, which favoured the bombardment of Shimonoseki, made us tremble. Inouye and I determined to return home, though without knowing whether our influence would have any effect or not. We wanted to stop this folly even at the risk of our lives.

So Inouye and Ito again took ship, leaving their comrades to continue their studies. Arriving in Yokohama, they were smuggled ashore by Mr. Harris, of Messrs. Glover and Co., and hidden in a boarding-house, disguised as Portuguese. Finding it impossible to get to Choshu overland, and learning that an ultimatum had already been sent to Prince Mori, Inouye proposed that they should visit Mr. Rutherford Alcock, the English Minister. To him the young men appealed for a delay in the bombardment. The Minister at first took the matter as a joke, but then, recognizing their earnestness and the truth of their argument that Choshu realized nothing of the greatness of the nations opposed to them, and of the futility of resistance, he agreed to lay the matter before a council of the ministers and naval commanders of the Allied Nations.

As a result it was agreed to postpone the opening of the bombardment of Shimonoseki a further twelve days, and to send Inouye and Ito on a foreign warship to a point on the Bungo coast, whence they could easily get overland to Choshu. Further, a letter was written and signed by all the members of the council, addressed to the Lord of Choshu, and handed to the two young men, to be delivered at the time when they should advise their chief of the futility of resistance. Captain (later Admiral) Sir William Dowell took Ito and Inouye aboard H.M.S. *Barrosa* to Himejima, whence they proceeded to Yamaguchi, having meantime resumed *samurai* attire.

Mori Motonosi granted them an interview, whereat, as Ito writes, "we opened the map and explained European civilization and its strength for nearly four hours." They urged that a truce be made with the enemy, and that thereafter every effort should be made by Choshu to restore the Imperial power. The letter from

the foreign ministers was not presented, because it might have aroused suspicions against the young men, the more so as it was couched in rather threatening terms.

Their efforts for a peaceful solution were unavailing against the fanatical extremists, who had obtained the upper hand at the Choshu Court. The young men paid a final visit to Admiral Kuper, who commanded the Allied forces, and then went ashore to return to Yamaguchi. On their way they were attacked by a party of the extremists, and though Ito escaped without damage, Inouye, who was the real object of the murderous attempt, was left for dead. Though terribly wounded, his friends carried him to his mother's house. Believing himself dying, and fearful of the dishonour of having been killed by his enemies, he called his brother and ordered him to strike his head off. Just as his brother drew his sword for the purpose his mother rushed forward and, covering him with her body, protested that he would recover. He did. Three weeks later his enemies returned and carried him off to prison, where he lay for several days fearing execution. That he was not at once executed is surprising, but was probably due to the failure of the Choshu arms, as he had foretold, and a consequent sneaking respect for his intelligence. At all events he was, after a short confinement, released by order of Prince Mori, and restored to favour and the council of the clan. Nevertheless, he bore to the grave the scars, drastic evidence of the danger of being liberal in pre-Meiji days.

Shimonoseki had been bombarded with disastrous results, and at the same time the Choshu army had been attacked by the Shogun's forces and driven back. What the final result would have been history cannot relate. Shimatsu Hisamitsu, Prince of the Satsuma clan, well aware, thanks to the recent bombardment of Kagoshima, of the strength of the foreign squadrons, intervened. He was then plotting for the restoration of the Imperial *régime*, and had no wish to see the clan he principally relied on to assist Satsuma crushed between the foreigners

and the Shogun. He persuaded the two Princes Mori to demand a truce, and peace negotiations were entrusted to a commission of Takasugi, Inouye, and Ito. Sir Ernest Satow, the political agent with the squadron, refused to receive this commission as lacking full powers. Another was appointed, consisting of Takasugi, Admiral Shishido, and Inouye, with Ito as interpreter, a curious appointment, inasmuch as he spoke English worse than Inouye. A satisfactory treaty was signed, and henceforth the two great clans, Satsuma and Choshu, lived on friendly terms with the foreigners.

It was almost impossible at this time to differentiate between Ito and Inouye. Although the latter was seven years older, all through his life he was outshone by his companion. This does not by any means appear to have been justified. So little is known even to-day of the inside of Japanese politics just before and after the revolution, and so large did Ito bulk in the public eye during later years, that it is perhaps natural that he should have received credit for actions inspired by Inouye. In addition, Ito was not the man to hide his light under a bushel, and was by no means backward in announcing and even in praising his own good works. Inouye was a man of very different calibre, modest and retiring as regards what he had done, though energetic in action and even officious when he thought his services were required.

There is a disposition to regard Inouye and Ito as having introduced the idea of a restoration of the Imperial power as a result of their visit to Europe. This view is to be traced even in *The Times* biography of the late Marquis. In fact, these ideas were by no means new. Yoshida, Hashimoto, Rai Sanyo, and Ugai had been executed for them years before Inouye's and Ito's furtive voyage to London. The work that these latter performed was not the creation of these ideas, but their translation into deeds by the union of the four clans of Satsuma, Choshu, Tosa, and Hizen. Inouye and Ito, raised to the posts of clan advisers, were among the most important

diplomatic instruments which the feudal lords, who supported the Emperor, had at their disposal. Ito assisted Kido to make the alliance with Satsuma, whilst Inouye was responsible for those with Tosa and Hizen.

Both before and after the Restoration Inouye was an uncompromising advocate of progress and of the Europeanization of the country. The late Viscount Fukuba, formerly lecturer to the Imperial Household, writes in his *Tento Sanjiunen Shi* :—

Inouye's view at that time was not only to change the national institutions, learning and education to European models, but to wipe out all our own old customs and habits; he wanted to substitute bread for rice, European clothes for *kimono*, and to turn the paddy-fields into meadow-land to pasture sheep.

Inouye admits the soft impeachment. He himself writes :—

Under the Tokugawas the principal people in the country were very anti-foreign, and the attack on foreign ships was only an outward sign of the attitude of the whole people. After the Restoration we quickly realized that we could only hope to compete with the foreigners by adopting their methods. The teachings of the Chinese philosophers were principally responsible for our hostility. Opinion swung round, and there was a race to Europeanize everything. Under the Tokugawas it had been illegal for Japanese to leave the country. Ito and I with three other young men had fortunately been able to go to London, and after our return we urged very strongly the introduction of foreign customs. A reaction set in, and everything was modelled according to Western practice—Army, Navy, Courts, Education, etc. The usual situation followed. The upper classes learnt much quicker than the lower, and we had the skeleton of a modern civilized state, but the muscles and nerves were undeveloped in comparison. We had, for example, courts of justice but neither civil nor criminal codes of law.

In the first form of government Inouye was Vice-Minister of Finance, and it is generally considered that it was in finance he displayed most markedly his creative and administrative ability. To him was principally due the transformation of Japanese currency from sacks of rice to gold and silver. He has left on record a very

concise and interesting account of the methods by which the changes were introduced. He points out what has been little recognized, that one of the chief reasons for the abolition of the feudalities was the urgent necessity of centralizing the financial system, and doing away with the innumerable currencies, which were in circulation, in accordance with the individual tastes of the *daimyo*. Even so the reform was not sufficient, for paper money was the only real money which Japan then had. The taxes were still paid in rice, which had to be converted into cash, a dangerous operation owing to the heavy fluctuations of the market. In addition, the expenses of the government, due to the introduction of Western methods, interest on loans and pensions for the *samurai* consistently exceeded revenue. Inouye and Shibusawa, the two Vice-Ministers, unable to get their views on the liquidation of paper accepted, resigned office in 1873.

In 1872 Inouye placed before the Council a proposal to set aside ¥1,000,000 per annum for rebuilding purposes in Tokyo, intending to reconstruct the city by degrees in bricks and stone. The Council refused the proposal. If it had been accepted Tokyo would have been saved those appalling conflagrations which annually cause losses of over £1,000,000 per annum.

Count Okuma took charge of the Treasury, but matters went from bad to worse, until in 1881 paper was at a discount of 80 per cent. In that year Matsukata Masayoshi was appointed Finance Minister and, acting on the recommendations of a committee, presided over by Inouye, put into operation a scheme for the conversion of the currency notes within six years. So successfully was this operation carried out that it was completed within four years. It was during this period that the Bank of Japan was founded, a circumstance with which Inouye was intimately connected. It had been during his Vice-Ministership that a banking system on the American plan was introduced, and this system, minus the note-issuing privilege, remains still in force to-day.

During the Franco-Prussian War Inouye had been

in London, and afterwards was sent to Berlin. There he had opportunities of studying economics, and it was the result of his observations at that time which made him an opponent of the enormous indemnity extracted from China at the Peace of Shimonoseki. Inouye predicted the 'boom and the burst' which followed the victorious campaign. Many years later he referred to this warning, and remarked that the indemnity from China had gone the way of all other money—abroad, but with this difference, that it had gone quicker.

There was a distinct connection between the late Marquis's tours abroad during the years following the Restoration and his subsequent revision policy when Foreign Minister. He wrote at that time :—

The exodus of money from the country is one of the most serious dangers we have to face. Whilst it is of the utmost importance for the national prestige to restore as soon as possible the Imperial authority over the Treaty ports, it is no less important to obtain the abolition of foreign control over our tariff autonomy. By this fault not only are we spending our money abroad unnecessarily and extravagantly, but the development of our natural resources and of our industries is being indefinitely postponed.

A founder of Japan's monetary system, the go-between for her first foreign loan, the Marquis remained to the time of his death the most trusted adviser of the late Emperor on all matters connected with finance. During the Russo-Japanese War he was appointed a Governor of the Treasury, and he was principally responsible with Baron Shibusawa for the *exposé* of the financial muddle which resulted in the substitution of Marquis Saionji for the late Prince Katsura in 1911.

The deceased statesman was no less intimately connected with the conduct of Japan's foreign affairs than with her finances. His early diplomatic experience in the interests of his clan was a fitting prelude to greater activities on behalf of the nation. During the earlier years of Meiji he earnestly advocated the submission of foreign affairs to the unity and development of Japan.

He was largely responsible for the decision of 1873 not to go to war with Korea. In December 1875 Inouye was Vice-Plenipotentiary to Count Kuroda in the mission to Korea to obtain satisfaction for the attack on the *Unyo-Kwan*. Although Vice-Plenipotentiary was the title given him on this occasion, the diplomatic handling was entirely in his hands, Kuroda in reality being the commander-in-chief of the naval and military forces which accompanied the mission.

The expedition left Japan on January 6, 1876, and on February 10th the first meeting of the envoys and the Korean representatives took place. The devious diplomacy and internal intrigues of the Korean Court threatening to waste time, Inouye on February 12th handed the Korean Council a ten days' ultimatum, which was finally accepted, and a treaty opening Korea was signed on February 27th. The Japanese envoys had followed in every detail and with equal success the gunboat policy of Commodore Perry. This treaty is particularly important, not only as the first foreign treaty signed by Korea, but as the first diplomatic intimation of Japan's future policy on the mainland. It was a direct denial of China's sovereignty over Korea. It is noteworthy, too, that the treaty, whilst obtaining for Japan consular jurisdiction and extra-territoriality in Korea, refuses the same to Koreans in Japan. In truth the young nation was beginning to learn with a vengeance.

Down to the Satsuma rebellion the five statesmen who have probably had most to do with the modernization of Japan, Inouye, Ito, Okuma, Yamagata, and Matsukata, occupied only subordinate though important positions. In a country where the release from feudalism was but a few years old it was natural that the clan leaders should still hold the nominal power, even though they were guided by the advice of their juniors. After the Satsuma rebellion matters were changed, and the younger men occupied the government in name as well as in fact.

In 1878 Inouye became first Minister of Public Works and then Foreign Minister. In the latter office he succeeded Terashima Munenori, one of the most scholarly of the leaders of the Restoration and the first Japanese Minister to Great Britain. He still held that office in 1882 when the Koreans rose, expelled the Japanese representative Hanabusa, and burnt the legation. When the news came to Japan the Council of State was divided. Kuroda, Yamagata, Terashima, and Oki wanted war. Only Prince Iwakura and Inouye were firmly fixed on a peaceful solution. No decision was come to, though the Council sat late into the night. The following day a Council before the Throne was held. Inouye defended his policy in a very cleverly argued speech. He said that the action of the Seoul mob was not only a matter affecting Japan. He believed that it concerned all the foreign nations, because it seemed to him to be merely an expression of Korean hatred against all intruders, in this case directed against the Japanese as the most obnoxious, owing to the treaty of 1876 having been forced by Japan on Korea. "Such a movement has not been unknown in this country, and I for one well remember an expression of it when the English legation in Tokyo was set afire by fanatical *samurai*." He proposed to send Hanabusa back to Korea under military and naval escort and demand explanations from the Korean authorities. After hearing the arguments of Kuroda and the pro-war Ministers the Emperor decided entirely in favour of Inouye, and a rescript was issued to him to carry out his proposal. When Hanabusa arrived back in Korea he found a strong Chinese army waiting for him, backed by which the Korean Court adopted a policy of procrastination. Reinforcements sent by Inouye had been kept in the background. The Japanese Minister executed a strategic retreat to Ninsen, where military and naval reinforcements had arrived, and as the result of a sharp ultimatum Korea agreed to the whole of the Japanese demands. This success of Inouye's policy was shortly followed by the signature

of treaties between Korea and Britain, Russia, the United States, and Germany. It may be remarked that before dispatching the expedition Inouye called a meeting of the foreign representatives at Tokyo, and, explaining his plan, obtained their approval.

It was under Inouye and at the suggestion of Goto Shojiro and Fukuzawa that Japan began to intervene in Korea's internal affairs, and the subsidizing of newspapers in Seoul, of schools and personages, led to the creation at the Korean Court of a distinct and influential Japanophile party. The Franco-Chinese War gave Japan an opportunity of dealing the Queen's party some heavy blows, and the voluntary remission of the balance of the 1882 indemnity was compensated by the extension to Japan of the most-favoured-nation treatment. Within a few months Japanese influence had become so strong as to result in the proclamation of a new form of government. Against this the Queen's party, supported by the Chinese, forced a *coup d'état*, burnt the Japanese legation, and the Minister, surrounded by his guard, had to fight his way out of Seoul to Ninsan. Again the two countries were on the brink of war, and Inouye for the second time saved them. Following the precedent he had laid down in 1882 he went himself to Korea as special envoy with an imposing escort. Arrived at Seoul on January 3rd, he opened negotiations on the 8th with Kin-ko-shin, the Korean Foreign Minister, and, in spite of the threats of the Chinese envoy against both Japan and Korea, in two days had obtained the signature of a treaty embodying apologies and indemnities. The policy of Inouye in respect to Korea is particularly worthy of admiration. He made no exorbitant demands on that country, and the modesty of the indemnity required created, indeed, considerable discontent in Japan. But Inouye was satisfied with a moderate compensation because he had no belief in the impossibility of friendship between Korean and Japanese under wise and temperate guidance, and because he realized that the crux of the trouble lay

not in Seoul but in Peking. For this reason, his mission accomplished, Ito was dispatched to China, and extracted from Li-hung-Chang the Convention of Tientsin, which placed the two countries on a level in regard to Korea. The Chinese have a proverb, "He who plays the guitar has his eyes fixed on the swallows," and the Inouye mission was an exemplification of the same.

During his long occupation of the Ministry of Foreign Affairs (1878-87) Inouye made various attempts to obtain a revision of the treaties with foreign Powers, but without success.

Of the Japanese statesmen of that time he was the one most fitted by his liberal and progressive spirit and by his knowledge of foreign conditions to essay the task. Revision had by 1882, when he made his first attempt, already become the principal national demand, and it was incumbent on the Government to make every effort to carry it through before the new order of things to be created by the Constitution should arise. Inouye had very definite views on revision. He believed that unless some rearrangement of the position of the Powers was arrived at Japan might easily be forced into a similar position to Egypt. He recognized that the country was not yet in a sufficiently advanced state to be able to demand the complete withdrawal of consular jurisdiction, but he felt that it was sufficiently advanced to demand an immediate revision, provided that guarantees were given to the Powers in judicial matters in view of the non-completion of the codes and the imperfect organization of the judicature. He was able to realize the necessity of a compromise, even though that compromise should contain features distasteful to the sturdy nationalism which the Restoration had given birth to in the country. He was the more eager to obtain revision as he felt very strongly that the fetters on Japan's tariff autonomy were serious hindrances to the development of the country.

At his first attempt in 1882 it was clear to him that

the foreign representatives were unwilling to agree to revision until reforms had been more effectually carried out. This made Inouye more enthusiastic than ever for the Europeanization of the land. He handed each of the representatives a schedule of the proposed measures, and himself took the lead in their realization. The Foreign Office became the hub of the Western model school. He said, "The only way to prove our Europeanization is to be it." European clothes were officially encouraged, European coiffure for ladies approved, Western fashions of dancing introduced and even officially taught, foreign languages added to school curriculums, social halls built, foreign architecture admired and copied. Side by side with these lighter attainments foreign advisers were westernizing government departments, laying railroads, building lighthouses, drafting codes. Ito brought back from Europe the Prussian grades of nobility and a Bismarckian cast-iron Constitution. In all of these changes Inouye had a large share, for in the Europeanization of the land he was a whole-hogger second to none.¹

By 1886, when the Daijokwan with its Ministers of the Right and Left had been abolished and Ito presided over the first Cabinet, matters were ripe for a new attempt. By April, 1887, an agreement with the sixteen Powers had reached the point where only signatures were needed. Unhappily at the last moment a split in the official ranks occurred, a popular agitation arose against the proposed admission of foreign judges to the bench, even though officials of the Japanese Government and not of their nationals, an agitation increased by the failure of the Japanese prosecution in the case of the ss. *Normanton*, and Inouye found himself obliged to withdraw the proposals. A few days

¹ Inouye in 1886 gave a party at his country villa, which the Emperor, Empress, and Dowager Empress attended. It was the first time the Imperial personages witnessed a theatrical performance. It was he also who arranged the performance given by the Chari'ni circus in the Imperial Palace gardens in the same year.

later he resigned office, and the Cabinet shortly followed him. Thus ended the fourth attempt to revise the treaties. The conciliatory attitude of practical statesmanship was defeated by the sentimental inflexibility of unquiet patriotism.

Inouye's tenure of the Foreign Office was longer than that of any Minister before or since. It covered a period of considerable restlessness in the Far East, and offered to the Japanese opportunities for expansion which a less wise and more aggressive man would have accepted. In Japan itself there was not during the whole period any serious tension with any one of the Treaty Powers, whilst these years were marked by very distinct steps on the path of progress. For this Inouye was largely responsible. It is no slight praise to be able to say of a Minister that for nine years he reconciled the interests of sixteen Western Powers, represented by sixteen crotchety, illiberal 'livers,' and brought an Oriental State through the labours of political child-birth and within measurable distance of Christian administration.

For the failure of the fifth attempt Inouye was in part responsible. Marquis Saionji, acting under instructions from Count Okuma, who was Foreign Minister in the Kuroda Cabinet in 1889, negotiated, and actually initialled, with Count Herbert Bismarck, a draft revision of the treaty with Germany. Unhappily *The Times* prematurely published the text of the proposed revision, which was practically Inouye's plan of 1886-7. Ito and Inouye, who after his resignation had been appointed Councillor to the Mikado, headed the opposition to it, the former as being contrary to the new Constitution, the latter as being no better than his own rejected scheme. Kuroda supported Okuma, but Matsukata and Goto, the Ministers of Finance and Communications, seceded, and demanded a Council before the Throne. It lasted from midday until nightfall of October 15th without a decision being reached. Before the adjourned meeting could be held a fanatic by name of Kuroshima

had blown Okuma's leg off and the Cabinet and its revision scheme into nothing.

In addition to the personal pique that Inouye may have felt over Okuma's draft there were strong political reasons for opposition. The revision of the treaties was by far the most important matter then before the public, and had been made a strong card by all the political parties to whom the clan leaders were naturally opposed. They had no intention of allowing Okuma, who had transferred his allegiance from clan to party, to attain the triumph of securing revision. Ito, Yamagata, and Inouye consequently formed a cabal against Okuma, and were joined by Matsukata, a strong clansman, and Goto Shojiro, a passionate nationalist, who by his fiery eloquence was enabled to carry with him the mass of the people. The smashing of the German treaty was the result, but as important to the clansmen was the snatching of what would have been an enormous victory from the hands of the party politicians.

In the second Ito Cabinet, which made and conducted the war with China, Inouye occupied the Ministry for Home Affairs, and temporarily those of Minister President and Minister of Finance. He was responsible for and conducted the fighting Budget of 1893, which was only compromised between the Ministry and the Diet by the personal intervention of the Emperor. He resigned office in October, 1894, to become Minister and Adviser to Korea during the war. His *régime* at Seoul was completely successful, for, following the policy which he had laid down when Foreign Minister, and which had guided him in 1886, he did everything possible to conciliate the Koreans, thus imposing an effective though galling restraint both on the anti-Japanese intrigues of the Queen's party and on the anti-Korean ones of an important band of militarist adventurers, who, subsidized by extremists in Japan, spent their whole energies in trying to create trouble between the two countries.

The recall of Inouye in 1895 had disastrous results.

Hoshi Toru and Okamoto Ryonosuke were respectively political and military Advisers to Korea, the one notorious for his bludgeon politics, the other equally known as a 'ruffian of the worst character and the tool of the militarist party in Tokyo. The result was inevitable. Miura, the new envoy, acting under higher instructions, shut his eyes to their intrigues, and within a few weeks of his appointment the Queen of Korea, with a number of her ladies and the Minister of her Household, were horribly murdered. It is evidence of the high hand with which the military party carried matters in Japan after the war that the officers, one of whom was General Baron Kusunose (Minister of War in 1914), were found not guilty, inasmuch as they had only followed the instructions of the Minister, whilst the Minister was found not guilty, inasmuch as though he had admittedly planned the murder of the Queen he had not himself murdered her (Judgment of Hiroshima Chiho Saibancho, January 25, 1916; Judgment of Court Martial at Hiroshima, January 21, 1916). It may be noted that Inouye on leaving Korea had strongly condemned the intrigues of these *ronin* and rascals, which had caused him a good deal of trouble, and predicted some disaster unless their activities were curtailed. After the farce of the trials he expressed himself very strongly on the matter in a memorial to the Cabinet. The net results of the murder were to destroy the whole of his work in Korea since 1878, and to give Russia an opportunity, of which she speedily availed herself, of replacing Japanese influence at the Korean Court.

In the third Ito Ministry, when Japan was suffering under the collapse of the Chinese Indemnity boom, Inouye was called to take the Ministry of Finance. When the Cabinet fell before a coalition of the parties he determined to retire from public affairs. Unlike his contemporaries, Yamagata, Ito, Matsukata, Okuma, and Oyama, he has steadily declined office since.

During the present century a great deal has been

heard of the 'Elder Statesmen' of Japan. This Genro Council, suggested by Ito at the Osaka conference in 1874 to provide a continuity of policy and the separation of the advisory from the executive, consists of personal advisers of the Emperor, and is drawn from the surviving statesmen of Meiji who have been responsible for the building of modern Japan. It has no position under the Constitution. During the last few years its members have been Yamagata, Ito, Inouye, Matsukata, Saionji and Okuma being excluded until this year owing to their connection with party politics. It was in the Genro Council that Inouye since 1898 made his influence most felt, and this because of his own characteristics and by reason of the composition of the Council. The three principal members were Yamagata, Inouye, and Ito. Oyama was a good-natured, affable authority on military affairs, and declined, except on the rarest occasions, to go outside them. Matsukata is a financier, responsible for the establishment of Japan on a gold basis, and his advice is respected on all monetary matters and as the adherent of the Satsuma (Navy) clan. Yamagata, Inouye, and Ito are all Choshu men, and Inouye was undoubtedly the most powerful of the three. Between Yamagata and Ito there was always bad feeling. The former is a bureaucrat, the direct product of feudal times, who regards the people as a regiment to be drilled and the aristocrats as the only ruling class. Himself of good birth, an hereditary aristocrat, he strongly disliked Ito as a man of common origin with more cunning than brains and less manners than ambition. So long as Ito agreed to play the clan game so long he could endure him, but directly Ito threw over the clans for the parties his fate was sealed. (That Ito rose to the position he did was partly due to his own ability and opportunities, partly to the Imperial favour, but also to a large extent thanks to Inouye's intelligence and personality.)

Between Yamagata and Ito stood the subject of this sketch, a man of good birth, of superior abilities to

either, and of great diplomatic adroitness. In the Genro, so long as Ito was a member, Inouye's rôle was that of peacemaker between the two.

Inouye's principal characteristic was unassertiveness. Although Matsukata figures far more in the public eye as the creator of the financial Japan of to-day, it was Marquis Inouye who laid the foundations on which Matsukata built and who was the ultimate referee on all financial matters, and consequently on all naval and military matters—"the former statesman is a departmental expert, the latter a decisive judge." Though Ito got and took the credit of the Convention of Tientsin, it was Inouye who sent him and drafted his instructions. Though Yamagata is praised for the system of local administration, it was Inouye who initiated the idea and sent him to Europe. If Inouye's policy had been pursued in Korea after his recall in 1895 there would never have been any Russo-Japanese War, for the policy of conciliation and peaceful penetration of which he was the advocate would have bound Korea to Japan by the bonds of commerce and goodwill. It was for this reason that he disapproved of the Anglo-Japanese Alliance, and it was at his instigation that Ito went to St. Petersburg in 1901 to negotiate an agreement with Russia. He held that the Alliance was a direct threat to Russia, and that if a war followed it would impose on an even victorious Japan an almost insupportable financial burden, an estimate which has proved very correct.

His task in the Genro Council since the war has mainly been the restriction of the demands of the militarist faction within reasonable limits. As he stood before the war between Yamagata and Ito, so after it was he the buffer between Yamagata and his insistent demands for new divisions and Matsukata with his no less expensive indents for new ships.

Never himself Minister-President, he was the deciding factor in making and breaking Cabinets. When Okuma by the sudden deaths of Saigo, Okubo, and Kido became

the central figure of Japanese politics, and sought to crush the famous Satsuma - Choshu coalition by replacing its elements with members of the Liberal party, it was Inouye who manipulated the wires which pulled him down. He investigated the Hokkaido Reservation scandal and discreetly used it against the Ministry, though he left to Ito the care of the public agitation and to Matsukata some years after the expulsion of Okuma from the Privy Council. Thirty-three years later (1914) it was Inouye who called Okuma back to office to form a Choshu *cum* Doshikai Ministry.

When the veterans of Meiji decided to become *inkyo* and to leave to younger men the actual administration whilst they filled the rôle of advisers behind the screen, it was Inouye who suggested this solution of the political stalemate, and who believed that by this removal of both Ito and Yamagata from public life a satisfactory ending of the feud between them would be attained. Yamagata's approval was obtained by the nomination of Katsura to the Premiership. Ito agreed because he thought that he recognized Katsura as a bureaucrat who would fall foul of the parties and by a defeat in the Diet necessitate his own recall to office. In leading the attack from outside the House Ito committed political *hari-kiri*, for Katsura dissolved the Diet and insisted on Ito being shelved in the Privy Council, his place as leader of the Seiyukwai being taken by Marquis Saionji. Inouye, both for clan and family reasons, in addition to his views as a statesman, could not support Ito in his attacks on Katsura. On July 12, 1903, when he retired from politics to take Saionji's place as President of the Privy Council, Ito fell, and thereafter was of little account in the affairs of the nation. As a matter of courtesy or owing to Imperial favour his advice was asked, but almost as regularly unheeded.

No account of the late Marquis should omit a reference to his matrimonial alliances, which have played a great part in the history of modern Japan. In countries where the feudal system is or has been the women

of the aristocratic classes are often useful and valuable though passive assets of their families. Throughout the ages woman has been a pawn to advance the ambitions and interests of the males. Marriage alliances often will give the key to the domination of clans and factions, in Japan as in England.

A clansman of Choshu, Inouye strengthened his position by marriage with a daughter of Nitta Tadayama, a leading *daimyo* of Choshu. His brother-in-law, the present Viscount Nitta, married Inoko, sister of Viscount Mori, a scion of the Princes Mori, the Lords of Choshu. The deceased's statesman's heir is his nephew, Inouye Katsunosuke, lately Japanese Ambassador in London, son of the Marquis's elder brother Ikutaro, and married to the late Marquis's daughter. Inouye Katsunosuke is blood brother of Prince Ito Hirokuni, Vice-Grand Chamberlain, who married the late Prince Ito's daughter and was adopted as his son and heir. Baron Keiroku Tsudzuki, the Privy Councillor, formerly in the Foreign Office, and well known as the late Prince Ito's diplomatic assistant on his journeys abroad, is married to Mitsuko, sister of the Marchioness Inouye. The late Prince Katsura married as his second wife Kana, adopted daughter of Marquis Inouye, whilst his son and heir by his first marriage, Yoichi, married the Marquis's niece, Tei, daughter of the Viscount Nitta. The connection between the Katsura and Inouye family goes even farther, for Inouye Katsunosuke's heir and son by adoption, Saburo, is blood son of the late Prince Katsura by his first marriage. Baron Ito Bunkichi, legitimized son of the late Prince Ito, married a daughter of the late Prince Katsura. A connection between Inouye and party politics is seen not only in the Ito relationship but in the marriage of Hara Kei, leader of the Seiyukwai and ex-Minister of Home Affairs, to the daughter of the Marchioness by her first marriage with the late Mr. Nakai, as well as in the adoption by Marquis Saionji of a Mori as his heir, and the engagement of this heir by the late Prince Katsura as his personal secretary.

The above by no means represents the full extent of the alliances and connections established by the late Marquis through his family, but it will give some slight idea of the strings which were pulled from his mansion in Azabu, and cast some light on the infinite intricacies of Japanese politics.

A diplomat of rare foresight and ability, a financier of marked capacity and a statesman of the highest order, the death of Inouye Kaoru in 1915 was a loss which Japan could ill afford. No word can better describe the late Marquis than 'judgmatical,' if one may coin it. He was unrivalled at weighing the pros and cons of a question, and it was rarely that his instinct did not lead him to a safe and honourable compromise. He had in a high degree that art of using others which was so marked a feature of Japanese political life in the last century. He has been described as being all head and no heart. This was true in that he had few enthusiasms except Japan.

The most brilliant of the brilliant Sat-cho combination, no other member of it approached him in sacrifice of personal pride and ambition to the interests of country, party, and people, and it is unlikely that any of the present statesmen of Japan will seriously rival his reputation.

The Ito adherents now occupy a far smaller position in the affairs of State than was to have been expected from their brilliant start. Viscount Suyematsu, ex-Minister for Home Affairs, is a Privy Councillor, but has entirely dropped out of politics, and is engaged on translating Roman Law. He is one of the most accomplished scholars in Japan and a writer of *uta* of exceptional merit. Mr. Genshiro Nishi has never risen above a Secretaryship in the Diplomatic Service. These two men were sons-in-law of the Prince, but neither Viscount Ito Miyoji nor Viscount Kaneko, two of his principal adherents, have retained any trace of the political prestige which accrued to them before his assassination. Marquis Inouye remained therefore the hub of the Choshu anti-

Yamagata faction, a faction which has accepted a bastard form of representative government by its *entente* with the Seiyukwai. That event was to a considerable extent made possible by the family connection of Mr. Hara Kei with Marquis Inouye, he having married the daughter of the Marchioness by her first marriage with the late Mr. Nakai. The cleverness of Prince Yamagata in getting Katsura appointed as Premier can now be properly appreciated. Wishing to retain the power in his own hands, and at all events the appearance of non-compliance, he nominated a man notoriously of his views, who by his family connections with Inouye and Ito was able to control the hateful Diet. Katsura, thanks to Inouye and Hara, carried out the plan exactly as proposed, but on his own account went further and brought the Marquis Saionji, who had succeeded Ito as head of the Sei-yu-kwai, into the circle. Saionji adopted as his heir the younger brother of Prince Mori, the aristocratic head of Choshu. Katsura took this adopted son as his Private Secretary, because he himself had in feudal days been a retainer of the Lord of Choshu. Thereafter the plan was simple. The Seiyukwai, with Inouye as a pivot, was tied to Katsura and Saionji, regardless of which was Premier. It has proved the most pernicious influence in modern Japan. Where Yamagata went wrong was in failing to perceive that Katsura was so well connected and so capable that he could do without his aid, and further, that he was so ambitious that he would do so. Then he realized the truth of the Japanese saying, *Saru mo ki Kara ochiru*, 'Even the monkey, the expert climber, falls from the tree.'

Just as Choshu concentrated its efforts on controlling the Army, the Colonies, the Civil Service, and Education, so Satsuma took for its share of the spoils the Navy, Finance, and Industries. In the two latter fields, however, they have lately felt the pressure not only from Choshu, but even more from independent outsiders. To such an extent indeed that in 1914, before the fall of the Yamamoto Cabinet, arrangements had been completed

for the establishment of a bank, which, in capital, management, and objects should be exclusively representative of Satsuma.

Marquis Matsukata is the pivot of the clan matrimonial ventures, and as he is a man with a quiverful, he is well fitted for the position. A photograph taken two years ago showed the veteran statesman surrounded by his family of the first and second generations, eighty-four in number. A Tokyo story has it that on one occasion the late Emperor asked the Marquis how many children he had, to which the solemn but stereotyped response to all Imperial inquiries came, "Your Majesty, I will have strict investigation made!"

Iwao Matsukata, the Marquis's heir is Vice-President of the 15th Bank, and married the aunt of Baron Nagayo.

His second son, Shosaku, holds high rank in the diplomatic service, and married a daughter of the late Baron Iwazaki, of the Mitsu Bishi. The third son, Kogiro (the President of the Kawasaki Dockyard), married a daughter of Viscount Kuki, Privy Councillor. The fourth, Masao, is a Director of the Naniwa Bank, and is married to a daughter of Admiral Yawara. The fifth, Otohiko, Director of the Japan Oil Company, is married to a daughter of Admiral Court Yamamoto, Masukama, the sixth son, is President of the Imperial Sugar Company, and married to a daughter of Mr. Arai, the banker, whilst Yochizuke, the seventh, is a head of department in the Bank of Japan, and married the daughter of Viscount Inouye Masaru. One daughter is married to Mr. Kawakami, Director of the Hypothec Bank, another to Mr. Matsumoto, brother of Admiral Matsumoto, and a third to Mr. Horikoshi the silk magnate.

If we follow out some of the matrimonial connections thus made we shall find a very complete control of the Navy by Satsuma. For example, the Iwazakis, the Vickers of Japan, are linked up by a double marriage, that of Shozaku Matsukata referred to above, and by

the marriages of Yukiko, aunt of the present heads of the firm, to the late Count Shogiro, a Tosa man, but identified with Satsuma interests, after the fall of the Sat-Cho-Hi-To combination in 1873, and of his daughter, Sanai, to the late Baron Yanosuke Iwazaki, a case of an uncle marrying his own niece. The late Count Goto's daughter married the late Baron Nagayo, whose daughter married Iwao Matsukata. If we turn to the other leading Satsuma Genro, Count Yamamoto, we find a similar course of development and envelopment. His son and heir, a naval officer, has married into the rich Hirai family. One daughter, as we have seen, has been allied to the Matsukatas, another married Captain Takarabe, who has since risen to be Vice-Admiral and Vice-Minister of Marine. Yet another daughter married Lieutenant Kamimura, adopted son of Admiral Kamimura, and younger son of the late Admiral Marquis Judo Saigo. It is the same with the Kabayama and Nire families. Count Kabayama married an aunt of Count Yamamoto; his son, a director of the Hokkaido Tanko, married a sister of Count Kawamura. The daughter of the late Viscount Nire married Admiral Baron Saito, Minister of the Navy from 1898 to 1914. We see, therefore, that the families of the three founders of the Japanese Navy, Nire, Saigo, and Kabayama, have retained right down to last year a complete control of that department. In addition they have brought within the orbit of their influence the two principal dockyard concerns, the Mitsu Bishi and Kawasaki, and also obtained a finger in many of the leading financial institutions in the country. If the methods of clannism are properly understood, then there will be no difficulty in comprehending the whys and wherefores of the rotten administration not only of the country but of many of its most prominent financial institutions. The accident of birth is no qualification for a bank manager or for any other position of responsibility, and although hitherto the principal scandals exposed have reflected mostly on the Satsuma clan, Choshu are just as guilty, but the nation has not dared to press and the

authorities have not dared to grant the fullest investigation.¹

Marquis Matsukata has, considering the important posts which he has filled, concerned himself but little with the question of representative government. A typical bureaucrat, he opposed any concessions towards constitutionalism: he was responsible for the dismissal of Okuma from the Privy Council in 1891, because of his connection with the Progressive party. Later, however, he imitated Ito in making a virtue of necessity, and he has shown himself even more amenable to the popular will, owing to the influence of his family, who are very much closer in touch with popular feeling than is he.

In 1911, when I arrived in Japan, the second Katsura Ministry had just resigned, and Marquis Saionji had taken office for the second time. Of that administration of Prince Katsura, which had closed in September, I had no experience, but by all accounts it will be remembered in Japan as one of the most autocratic which the country ever suffered. It had come into power ostensibly on account of the miserable financial results of the first Saionji Cabinet; but, as Count Hayashi points out, Prince Katsura and the Genro from behind the curtain were really responsible for the Budget and its failure, and the real cause of the change was Katsura's impatience at inaction and Yamagata's dislike of Saionji. The Katsura Cabinet which followed consisted of Prince Katsura and some others. Beyond the Premier there were no men of strength and independence in it, and if there had been they would soon have left it. In Japan Ministers are not responsible to Parliament, but only

¹ For example, the Board of Audit in 1912 reported that the War Department has been guilty of thirty-two cases of misappropriation of money. In eight of these cases money was applied to purposes not sanctioned by the Diet; in four other cases the officials responsible had obtained the money by false pretences; in seventeen cases contracts had been allotted without tender contrary to the Budget; in two cases full payment had been made for deficient work; and one case the Board describes as grossly improper use of public funds.

to the Premier, who is answerable to the Mikado. As a consequence, under Katsura Ministers were nothing better than senior clerks or departmental managers. That Japan so enormously increased her position and prestige in the world between 1901 and 1911 is almost entirely due to him, and to the support he received from the late Emperor and the Genro, and is tribute to his remarkable energy, capacity, and self-sufficiency. In neither his first nor his second Cabinet had he any outstanding figure whose will might clash with his, or whose principles and proclivities might wield a stronger influence than his. Even Komura, Japan's most brilliant diplomatist, Terauchi, her Kitchener, and Yamamoto, her Fisher, worked entirely under the orders of a Premier, who was himself capable of holding any portfolio, and did actually hold those of the Ministries of Home Affairs, War, Foreign Affairs, Finance, and Education. The second administration of this extraordinary man was noteworthy to the world at large for the annexation of Korea and the execution of Kotoku, the so-called Socialist, but in Japan it will long be remembered as a military despotism and a financial muddle. To maintain clan harmony and national prestige a wild expansion in armaments was considered necessary, though the remission of some of the national burdens was urgent to allay the popular unrest. Katsura rushed in where financiers feared to tread, and himself took Ministry of Finance, though he had no experience and but the haziest notions of economics. It is due in part to the expenditure on the Russian War, but far more to his rash financial administration that Japan has so little credit in the markets abroad. The fable of marvellous, but non-existent gold mines, long-dated and secret bills, forced conversions and fictitious prices, juggling with Special Accounts, Specie Reserve and surpluses, and the wildest promises to foreign bond-holders were all part and parcel of his policy, and quickly reduced the country to a condition which both Baron Shibusawa and Mr. Yamamoto, the two ablest financiers in Japan, described in November,

1911, as 'verging on bankruptcy.' When Katsura went into office in 1908 three reforms were imperative, financial readjustment and economy, government according to the Constitution, and the extension of the franchise. Those three reforms are as urgent to-day (1915) as ever they were in 1908, and the various efforts made to obtain them have all been easily defeated because there is no political party or combination of parties, which is able to control the power of the clan statesmen. The latter, as a consequence, were able not only to plunge the nation into appalling economic distress, but to control all thoughts and aspirations towards better conditions.

The result was quickly visible in the rapid spread of socialism, in the constant groan of the underfed, and in insistent grumbling against the methods of government. Nowhere was this more noticeable than in the educational institutions. Loyalty and discipline are the only lessons taught in the elementary schools, and the virtues of bureaucracy in the higher schools, but no number of Imperial portraits or rescripts will appease the crying of a pupil's stomach. Teaching a full child is a hard enough task, but teaching an empty one is an impossibility for even the most highly developed bureaucratic machine.

For this to a very great extent Katsura, with his dogmatism and despotism, must be held responsible. No statesmen had so great opportunities as he had in 1908, and few have failed so miserably.

Bureaucracy has produced many able men, but it maintains national culture and welfare on a low scale. The curse of egotism and the instinct of domination are its ineradicable sins. Katsura was an apt pupil, and almost bettered his teachers. He arrogated to himself the right to dictate to the nation as a whole, and as individuals what it should read, think, believe, and do. That in acting so he violated the law again and again was nothing. To a clan statesman the violation of custom, the development of individualism is a far more heinous crime. Katsura and the Genro, when they said liberty,

meant liberty only for themselves to restrict the liberty of others.¹

On the other hand it is just to remember that these men were born and brought up in an atmosphere far removed from any democratic connection. War, as we are learning to-day, is a prolific mother of autocrats and bureaucrats.

Katsura Taro was born in 1847 in Nagato Province. His family, though not prominent in the clan councils, was a very old one, an ancestor, Oye Otohito, having been a Court Councillor in the ninth century, whilst in the twelfth century Oye Hiromoto, or Nakamura, was the backbone of the Kamakura Shogunate, and responsible for the defeat and deposition of the precocious Toba II. The Katsura family were feudal retainers of the House of Mori, Lords of Choshu, and the late Prince, all his life was devoted to its interests. He placed these second only to his duty to the Emperor, and took occasion at various times to renew in public his vow of fealty to the family.

From his earliest days he was destined for the profession of arms, as was only becoming for the son of a *samurai*. He was with the detachment of Choshu retainers which fired on the foreign ships in the Straits of Shimonoseki. Later he was attached to Kido Koin, on the secret mission to Osaka, when Kido and Okubo received from the Imperial *Kuge* orders to attack the Prince of Aidzu, and free the Imperial Court from the thralldom in which it was held by the Shogunate. He led a detachment of the Choshu warriors at the battle of Fushimi, and was present at the operations which preceded the surrender of Admiral Enomoto. At barely twenty years of age he had borne a considerable share in the campaigns which accomplished the Restoration, and fully earned the pension which was awarded him. He had, however, no intention of retiring on a *samurai's*

¹ "Prince Katsura's government was a military oligarchy. He was a Premier whose aims and methods were very similar to those of Prussian Junkerdom."—Mr. Carey Hall, I.C.S., C.B., late H.B.M.'s Consul-General at Yokohama.

pension, and in 1870 went to Germany to study military science. The years he spent there as a student were often spoken of by him in later life as among his happiest. He referred not only to what he learnt there professionally, but also to the broad outlook which they gave birth to and the ambitions which they fostered in him. It is no secret that they inspired him with the hope one day to emulate the feats of Moltke and von Roon, and the ambition to be himself welcomed back to his fatherland as a victor. In 1873 he returned to Japan and served through the Satsuma rebellion and the Formosan campaign, only after their termination to again return to Berlin as Military Attaché. He spent the period of his appointment in the hardest work and study, and devoted himself in particular to military organization and administration. It was during these years of attachment to the Legation at Berlin that Katsura learnt to the full the necessity and the value of concentration. All through his life a terrific worker, he was in after days accustomed to say, "Yes, I am still, but never as when I learnt to work in Berlin."

On his return to Japan he was attached to the staff at Nagoya, but after a short delay received an appointment as Secretary to the Cabinet. Promoted colonel in 1882, he was nominated, in conjunction with Colonel Kawakami, to accompany General (afterwards Marshal) Oyama to Europe to study military organization. The mission had a close connection with Far Eastern politics, and was the immediate result of a memorandum laid before the Council by the late Marquis Inouye, then Foreign Minister. Japanese aims in Korea were already beginning to conflict with Chinese claims, and the backward state of the military system was considered by the Marquis as likely to be a handicap to diplomatic negotiations. The three K's—Katsura, Kodama, and Kawakami—were, with Major Meckel, responsible for the complete recasting of the military system—administration, organization, drill, and education—and to them, more than to any other influence, were due the victories of Japan in

the wars with China and Russia. They were promoted Major-Generals in 1885. In the reorganization Katsura had been responsible for the administration. From 1884 to 1891 he was Vice-Minister of War, and in 1890-1 was a Government delegate to Parliament, where he obtained with comparative ease the passage of the, in those days, enormous appropriations required. This success in later years was to have an unfortunate influence on Katsura, for he never afterwards seemed able to realize that military ambitions must be limited by financial resources.

Having completed his work at the War Office, he gave up his desk for the command of the Third Division at Nagoya. On the outbreak of the war with China he led this division at Ping-Yang, the Yalu, and in various battles in Manchuria, both the system which he had created and the division he led working with monotonous success. On his return to Japan he received a Viscounty. Already high in the councils of the State, he was ambitious for higher honours, and expected to be offered the Ministry of War, but Yamagata was jealous of his success, and Oyama, the commander of the Second Army, was appointed in his stead. In 1896 he was Governor-General of Formosa, and was responsible, with Baron Goto, for the administrative organization of the island. Convinced of the truth of the motto, 'Out of sight, out of mind,' he intrigued to be recalled, and was appointed commander of the Tokyo garrison, and in 1898, owing to the influence of Marquis Inouye, was offered and accepted the post of Minister of War, a position which he held down to 1900, busily engaged in developing the Army, and cajoling or coercing the necessary votes from the Diet. In that year he resigned office on account of ill-health, but in June, 1901, on the retirement of the Elder Statesmen, Inouye and Yamagata recommended Katsura, and he formed his first Cabinet.

Owing to his appreciation of German methods, his military training, as well as his clan instincts and affiliations, Katsura came to the Premiership a ready-made bureaucrat. It was all to his disadvantage in the public

eye that he was a Choshu man and a strict adherent of Yamagata. It was to his advantage that in his dealings with the Diet he had known how to demand huge appropriations without visibly increasing the burden of taxation, due in great part to his social tact. He even came into office with a considerable amount of public confidence. He had in the past demanded enormous amounts for military expenditure, but he had given the people some tangible results. He had created the most powerful Army in the Orient, and himself led a part of it to overwhelming victory. Thereby he had obtained for Japan Formosa, the Pescadores, and a huge indemnity. Later he had wanted more money, and under his minister-ship Japan covered herself with glory in the Boxer rebellion. The Japanese public dearly likes to be tickled, and Katsura knew how to tickle them. He was never backward in singing his own praises, and as his deeds redounded to the glory of Japan, he was at this period of his career almost popular. He had no hesitation in telling the taxpayers that he wanted more money, but he added to his demand, not only financial readjustments, that made the burden appear less than it was, but the reminder, "It's quite safe to give me the money, because, as you know, I give you good value for it."

It may be safely assumed that when Katsura came into power in 1901 his policy was mapped out for him by the Genro. If possible, an European Alliance was to be contracted, preferably with Great Britain; the Army and Navy were to be prepared for any emergency; and the Russo-Japanese problem was to be settled one way or the other, amicably or otherwise. It was at this period that Ito lost his head and, in consequence, his position. Ito and Yamagata, often before at a state of veiled hostility, came to open enmity at the Genro councils, which followed the Cabinet crisis in June, 1901. Ito declared for a ministry affiliated to a party, Yamagata absolutely refused to agree. Inouye proposed the retirement of all the Elder Statesmen and the appointment of Katsura, who, as a Choshu man, would be agree-

able to Yamagata and, as a relative by marriage of Ito and Inouye, would be agreeable to them. So matters were arranged. Ito, as leader of the Seiyukwai, put up a fierce attack on the Ministry, intending to defeat it and be called back to office. He succeeded in defeating the Ministry in the Diet, but only when he had done that did he find out the sort of man Katsura was. The Premier dissolved the Diet, and later in 1903 obtained an Imperial Rescript appointing Ito President of the Privy Council, a position which necessitated his resigning the leadership of the party. This latter post was taken by Marquis Saionji, a close personal friend of Ito, but also closely associated with Choshu and Katsura by his connection with the Mori family. So Ito, in the quaint Japanese phrase, had 'poked the thicket and brought out a serpent.'

The first Katsura Administration will always be associated with the conclusion of the Anglo-Japanese Alliance. Since the publication of the late Count Hayashi's Memoirs there has been a tendency abroad to discredit the motives with which that compact was concluded. It is probable that Hayashi goes much too far in his reflections on Katsura's and Komura's honesty in connection with the Ito mission to Petrograd.

It is difficult to understand the part which Komura played in the matter. At his death he was generally considered as the most brilliant Foreign Minister the *Gwaimusho* had ever had, but more recently there is a disposition to reduce this estimate, and to regard him rather as a clever negotiator than as a great statesman. An indefatigable worker, he was advanced in years before his talents met with recognition. Even when the late Count Muta had chosen him for advancement, which thereafter came rapidly, his days were darkened by the shadow of consumption. A consideration of dates will easily show that the policy of an alliance with Great Britain was adopted long before Komura arrived back from Peking, and it is probable that the only share he had in the matter was the drafting of the amendments to

Lord Lansdowne's proposals, work which he carried out in his usual dextrous and adroit manner.

It was a peculiarity of the late Prince Katsura that whatever post he nominally filled in his own Cabinets, he actually managed all the ministries. He was at once Foreign, Finance, War, Navy, and Home Minister, his nominees to those offices being in fact only chief clerks, or at best supervising Under Secretaries. This was due not only to the late Prince's masterful personality, but equally to the constitutional system of Japan. The Premier is the only member of the Japanese Cabinet who really counts. He is invariably nominated by the Elder Statesmen, and has to conduct his policy in accordance with their views. His colleagues, in reality subordinate, have to adjust their opinions to his, and it would be not only against Japanese etiquette, but against the whole system of government for any one of them to oppose a more than deferential opinion to the policy ordained by their chief.

There is little doubt that in 1900 the Elder Statesmen, as well as Katsura, were, for reasons of foreign policy, favourably inclined to an alliance with Great Britain. Katsura in addition was eager for the same on account of the financial backing which Japan would be able to obtain in London, and which would considerably ease his burdens in connection with the expansion of the Army and Navy. The alliance was definitely approved at the meeting of the Genro in August, 1901, to which Hayashi refers, and the only point which arose thereafter was Ito's defection from the scheme and his visit to Petrograd. At first sight it would appear as though Katsura, in authorizing this visit, was playing double with Hayashi. As a matter of fact, Ito's mission had everything to do with internal politics and nothing to do with foreign politics. Ito was the statesman who rounded on the proposed alliance, not because he had any real objection to it, but because of his opposition to Yamagata and Katsura. That Katsura sanctioned the Ito mission was due partly to deference to the Marquis's position

and reputation, and to his being *persona grata* with the Emperor, but more so to the idea of letting him ride for a fall. The Premier recognized that he had behind him the majority of the Genro, Yamagata, Matsukata, and Oyama. Inouye had approved of the Alliance in principle, but was desirous of bringing Germany into it. He felt that an Anglo-Japanese treaty would offend Russia, and perhaps provoke a premature war, but an Anglo-German-Japanese treaty would be a combination which Russia would not dare to face.

In the Katsura Cabinets the rules of subservience quoted above were strictly enforced, and in addition the Premier took very good care that his ministers were men whose ideas, if they had any, should not run contrary to his own. As regards the majority, however, they had no ideas beyond those he supplied them with. Terauchi and Yamamoto, the Ministers of the Army and the Navy respectively, were first-class men, and were the nominees of Choshu and Satsuma, but amongst the rest, with the possible exception of Komura, there was not one who was above the level of an office hack.

The Russo-Japanese War imposed a tremendous strain on Katsura, which, however, he stood successfully, and he had the pleasure of seeing the diplomacy which he conducted, and the army which he had principally created, bring it to an honourable, if not a highly successful, conclusion. The Treaty of Portsmouth brought on him and on Komura a tremendous storm of unpopularity, but the events in Japan during and after the negotiations brought out the finest trait in Katsura's character, his unswerving support of his friends. It would have been easy indeed to turn aside the abuse of himself and the Cabinet on to the shoulders of Japan's plenipotentiary at Portsmouth, but instead of adopting a step for which he would have had many precedents, he took on himself the blame and the task of explanation. That Katsura was principally responsible for the terms of the treaty is almost unquestionable. The war had arrived at a stage where Japan had gained the two objects for which

she had started to fight, the control of Korea and the evacuation by Russia of Manchuria. If she had continued the campaign she would have been in an unfavourable position, for her money was exhausted and her last fighting men called up. In addition, her forces were spread over an enormous front. Russia, on the other hand, though beaten in battle, was militarily in a stronger position than when war broke out. Her communications became more secure as those of Japan became more precarious. To continue fighting would have been for Japan to risk everything on a campaign, having for its object territorial or monetary acquisitions, and would have certainly resulted in endangering British friendship. Komura was sent to Portsmouth to ratify the *status quo*, which actually existed, and to pick up any additional items which he might be able to get from Witte. If the Russian plenipotentiary was obtuse enough to pay an indemnity, all the better. But he was not, nor did he even consider the suggestion for a minute. Katsura showed great wisdom and courage in making peace when he did, the more so as he recognized what an outcry would follow the publication of the terms. It was the psychological moment to obtain the very best conditions. That the nation rebelled against what they considered was a traitorous surrender was due in the main to the appalling ignorance which passes in Japan for political knowledge, and to the mistaken action of the authorities in presenting to the country only the most favourable aspects of the military and financial situations.

The failure to obtain an indemnity from Russia undoubtedly left Katsura in a serious financial hole, from which he endeavoured to climb by the nationalization of the railroads. He was unable, however, to face the Diet on account of his unpopularity, and resigned in January, 1906, leaving behind him a budget to be adopted by his successors, and a railway scheme to the acceptance of which Marquis Saionji was pledged.

In the history of Japan the first Saionji Ministry will probably not figure as a separate entity, for in reality it

was only an appendix to the preceding administration. It was considered advisable by the Elder Statesmen and by Katsura himself that he should surrender the reins of office for the time being, and give place to a more liberal statesman. There was no intention in arranging this, of altering the policy of the country abroad, whilst it was believed that at home a more liberal administration would have less difficulty in reorganizing the finances and strengthening the national confidence in the government. Unfortunately these good intentions were ruined by the appalling expenditure demanded by the militarists and by the aggressive action of the same party in Manchuria. During the whole of the first Saionji administration, the ex-Premier was the wire-puller behind the scenes, and it was owing to him that Baron Kato resigned the Foreign Ministership, and that the late Count Hayashi fell into disgrace. Neither of them was pliable enough to suit his views. That Hayashi did not actually have to resign office was due to the great credit he enjoyed abroad, and to a knowledge of the cynicism with which he would have exposed the whole intrigue in the press. He did in fact threaten to resign in September, 1906, in connection with the delay in the evacuation of Manchuria, and was only not taken at his word because of Komura's representations from London that such a step would forfeit a good deal of the confidence Japan enjoyed in the city.

The second Katsura administration, which lasted from 1908 to 1911, was nominally due to the failure of the financial proposals of the Cabinet, though in fact it was the result of the late Prince's repletion with inactivity. There was really no definite political reason for Saionji's resignation. It was true that the financial situation was bad, that Hayashi's foreign policy was disliked, and that trade was suffering from the collapse of the *post bellum* boom. On the other hand, the general election had left the Seiyukwai with a considerable majority, and there was no parliamentary obstacle to Saionji's carrying on the administration.

It is only reasonable to suppose that the political changes between 1906 and 1908 were the result of arrangements privately made between Katsura and Saionji and sanctioned by the Genro. No Japanese statesman has ever had such complete faith in himself as Katsura had. He surrendered office to Saionji in January, 1906, to escape a serious disturbance in domestic affairs as the result of the antagonism aroused by the Treaty of Portsmouth and the Hibiya Park riots. Discretion was the better part of valour. Saionji was offered office on condition that he should pursue Katsura's policy, and gracefully retire when Katsura should feel that the time had come to return to power. That occurred in 1908, when Saionji stepped out and Katsura in. This would appear to be the case from the statements of Saionji at the time. The only curious feature is the servile acquiescence of the majority party in the Diet. In 1906 ready to pull Katsura down, in 1908 it dumbly obeyed the instructions of Saionji to support Katsura. The explanation is in part that Katsura, in obtaining Saionji's agreement, included in the bargain that of the party he led, but mainly that the Seiyukwai was not in politics to defend principles, but to obtain spoils. Opposition does not pay a political party in Japan. Under the strong leadership of Ito, and with a large majority in the Diet, the Seiyukwai had twice been badly defeated by Katsura in 1902 and 1903. If they were not ready to make an *entente* with the Government, either the Diet would be dissolved, and they must fight another general election, when funds were low and defeat certain, or other parties would accept Katsura's overtures.

It has been freely alleged, and with justice, that Katsura was no constitutional statesman. Though it was not until the year of his death that he embraced a political party, at the last convinced of the futility of trying to govern without the support of one, yet throughout his career he displayed unparalleled dexterity in handling the various parties in the Diet. He bound the Seiyukwai to his chariot-wheels, and with peculiar adroitness suc-

ceeded in converting the party of constitutional reform into the most pernicious organ of bureaucracy which the country has ever known. Prating politicians who for years had foamed with righteous indignation at the very mention of the clans eagerly, nay avariciously, ate their own words, pleasantly disguised in the golden pills and honeyed promises which he knew so well how to dispense.

The second Katsura Administration was in many respects very different from his first essay as Premier, and in no respect was this more marked than in the position of its chief. Autocratic as he had been in handling his first ministry, he had not failed to show deference to the Elder Statesmen, who had supported him right through the trying period of the Russian War. In 1901 Katsura was taking a trial run. In 1908 he took the wheel as a practised and thoroughly qualified driver. The effect of this was evident in the very back seat which the Elder Statesmen occupied during his second tenure of office. After he retired, Japanese used to say: "Whatever harm Katsura has done, he has at least done this good, he banished the Genro." These old gentlemen, however, discovered an extraordinary likeness to the humble penny, for though banished by Katsura and obliterated verbally at least by Saionji, Yamamoto, Okuma, and Kato in succeeding years, their services are still invariably requisitioned at moments of national crisis.

The second Katsura Cabinet has been described as the most despotic of all the administrations which Japan has suffered since the so-called constitutional government was established in the country. It consisted of the Premier and some others. Terauchi and Saito remained at the Ministries of War and the Navy. The other members were bureaucrats selected for their complacent acquiescence in the Premier's views. He, in addition to the duties of Minister-President, undertook those of the Ministry of Finance. This post was undoubtedly the most difficult of all to fill, and there was certainly no one else in the bureaucratic ranks at all capable of

occupying it. No one would admit that Katsura was a born financier, and few would care to admit that he was even threatened with expert financial knowledge. It is improbable, however, that even a Necker or a Goschen would have been able to serve Japan usefully at that time. The trouble that had to be faced was not so much a financial one as a political one. The Army and the Navy were both making enormous demands for new expenditure, and the problem was to grant as little as possible to either without driving them to despair.

Katsura's principal financial work was the evolution of a scheme for liquidating the National Debt and the conversion of the War Loans. His measures had the merit of a definite character, and his establishment of the Sinking Fund on a fifty million yen basis did much for a time to revive Japanese credit abroad. His conversion scheme was clever but, so far as the internal bonds were concerned, marred by the fictitious maintenance of prices. Unable to carry on without borrowing, he kept the letter of his promise, though not the spirit, by a number of tricky operations, which later weighed heavily against Japan's requirements in the money market.

In foreign politics the Prince tried to adopt what Marquis Komura described as a policy of 'the perfection of beauty,' the cardinal feature of which was a series of *ententes* with all the Powers. It was an extension of the Hayashi plan of controlling the actions of Europe in China by negotiating conventions which should give Japan a voice in any move made by any other nation. Hayashi had completed the Franco-Japanese Treaty, and Katsura negotiated a declaration of policy with America. Very much under the influence of the late Viscount Aoki, he favoured a treaty with Germany, and publicly announced his intention of concluding one, a resolve from which he was only turned by the urgent remonstrances of Komura, who refused to share in a negotiation which might have proved embarrassing to Great Britain. In Korea the Prince determined to pursue his former policy, and the protectorate which had been then declared

was converted into annexation, a step which would have been taken rather earlier but for the opposition of the late Prince Ito, Japanese Resident-General at Seoul until his assassination in 1910.

Whilst the eyes of Europe were mainly directed to the foreign and financial policy of the administration, its internal policy was not less worthy of serious attention. Large appropriations were forced through for the initiation of public works, but the amounts were out of all proportion to the enormous sums devoted to the expansion of armaments. It was not surprising that the continuance of the war taxation and its heavy increase to meet the *post bellum* expenditure raised a spirit of unrest, which found its outlet in socialism. The bureaucratic officials, utterly ignorant of the aims and doctrines of socialism, but well aware that its advance must mean their own retreat, labelled it as anarchism, and sternly repressed it. Liberty of thought was more severely punished than liberty of action, and nothing more shocked the outside world than the secret trial and execution of Kotoku and his associates, on a charge which was indefinitely formulated and, as later knowledge has shown, quite inadequately proved. In domestic affairs the Katsura *régime* was one long wrench at the constitutional privileges with which the late monarch endowed his people.

With the eclipse of the Elder Statesmen Katsura stood out as the sole champion of extreme bureaucracy. That he was able to hold the salient so long was due as much to the complete failure of the political system in Japan as to his own remarkable personality. His reckless use of Imperial Ordinances, whilst it tided over temporary difficulties, not only created dangerous precedents of which successive Ministers have availed themselves, but aroused a hatred of his methods and a disregard for the supreme autograph, which in 1913 was to prove his own undoing. By no means the least important result of his autocratic rule was the breach which it occasioned with Prince Yamagata. No wise man kicks

away the ladder by which he climbs, at all events until he has arranged another by which to escape if necessary. This was what Katsura did, though it must be admitted that circumstances combined to disable his second ladder before he had it firmly placed in position.

On resigning office in 1911 he realized the impossibility of attempting to carry on the government without the support of a political party of his own. He consulted with Marquis Inouye, who since 1901 had been inclined to the same opinion, and rather drew towards Count Okuma, who, though retired from an active share in politics, continued nevertheless to strenuously express his views both in the press and at public meetings. In the summer of 1912, in company with Baron Goto, Mr. Wakatsuki and a numerous suite, he left Japan for Europe. It was repeatedly denied that he had any diplomatic mission, and so far as the government was concerned this was true. It must, however, always be remembered that Katsura distinctly fancied himself in the rôle of diplomatist, a failing which had given rise to disagreements with Komura in 1908 and 1909. He had never abandoned his hope of negotiating a German-Japanese treaty, and even had visions of dissolving the enmity between Great Britain and Germany by such means, in much the same way as the Anglo-Russian *entente* had created a *rapprochement* between Russia and Japan. A not less important object he had in view was the study of party government in Europe, and for this he was accompanied by various gentlemen whose work on arrival in Europe was to be the examination of party systems. Arrived at Petrograd, he was recalled to Japan by the death of the Meiji Tenno. Accompanied on his return by Baron Goto and Mr. Wakatsuki, the other members of his party continued their journey, and in due course completed the investigations for which they had set out.

Back again in Tokyo, the Prince was appointed Lord Keeper of the Privy Seal, to the astonishment of every one and not the least of himself. The secret history of

the appointment has never yet been written, and probably never will be. It was generally regarded as a supreme effort of Prince Yamagata to shelve Katsura in a position near the Emperor, where he could not interfere with a revival of the Yamagata influence. On the other hand, many Japanese inclined to see in it a parallel to the Shogunate, Katsura in an unassailable position, able to dominate the whole administration of the country. A story circulated at the time related that the dying Emperor aroused himself sufficiently to say to his successor and his wife: "Trust Katsura." There appears on high Court authority to be no good foundation for the anecdote. What is certain is that Yamagata had already decided on turning out the Saionji Ministry and installing either Terauchi or Hirata in the Marquis's place. If Katsura at the time held office in the Palace, such a step would be comparatively easy, but if he should still be at a loose end, no influence of Yamagata's could have persuaded either of his henchmen to expose themselves to a certain and crushing defeat. That Saionji was consulted on the appointment and agreed is certain. His acquiescence was probably due to the knowledge that if and when Katsura returned to power it would be at the head of a party more powerful by far than the Seiyukwai, of which he was the leader.

I saw a good deal of him during the stormy days of his third Cabinet, and marvelled at the indomitability of a man seeking the impossible. At various times he told very fully of his intentions and plans. He had then become converted to the party system, and was determined to form a party of his own. The Seiyukwai, he said, were a pack of blackmailers and thieves, and financial reform was impossible so long as they held power. I smiled at the thought of Katsura leading a party, although I knew that he had long intended to do so, that having been the principal reason that Yamagata shelved him in the Palace as Lord Privy Seal. I said, "Your Highness, you have never been considered a friend of parties. Do you think people will believe

you now?" "Sie müssen! Sie müssen!" he said. "Die Seiyukai müssen ausgeschlossen sein!" He always spoke in German in conversation (he knew no English), but his official statements, to avoid errors creeping in, were always given in Japanese and translated by an interpreter. Katsura's conversion to the party system dated from the fall of his second ministry. His journey to Europe in 1912 had a threefold object—to discuss the Chinese situation in Russia, to make an agreement with Germany similar to the Franco-Japanese Agreement, and to study party institutions in Europe, especially in Germany, Scandinavia, and England. I happen to know this because I was instrumental in procuring for some of the members of his suite introductions which were helpful to them in their studies. When the Prince was recalled to Tokyo, owing to the death of the Emperor, these gentlemen continued their journey and carried out the investigations as required. Subsequently the Prince told me that such had been one of the objects of his journey, and thanked me for the slight assistance I had been happy to give.

What party government would have been like under his ægis I cannot imagine. I think that his party would have become a second Seiyukwai in morals, for he was lavish in his patronage and *pistonage*, and reckless in the use of bribes, and with the Japanese politician the habit of bribery and blackmail grows the more it is fed. His administration lasted from December 12, 1912, to February 11, 1913, under conditions which will be recounted on a later page.

That it was the democracy that swept him from office is true enough, but that it was a democracy which was fighting for the sweets of power and not in defence of its supposed principles was shown by the agility with which the Seiyukwai proffered its support—on terms—to the succeeding Yamamoto Cabinet. Whether Prince Yamagata, whose ambitions and intrigues were responsible for this series of dramatic situations, did himself any good thereby is a matter of great doubt. The mili-

tarists in whose interests he acted have never since attained power, and though, owing to the European War, they have obtained expansion of armaments, they have lost their most powerful weapon in the opening, by Count Okuma, of the War and Navy Ministries to retired officers.

Out of office Katsura devoted himself to the organization and the strengthening of his new party, the Rikken-Doshikwai, now, two years later, the dominant party in the Diet. Stricken down with cancer of the stomach, promoted on his death-bed to the Order of the Imperial Chrysanthemum, and to the First Court Rank, he died at midnight on the night of Friday, September 18, 1913. His funeral service was conducted according to Buddhist rites, and almost as a military pageant, in the presence of a vast concourse at the Shojoji Temple at Shiba, Tokyo. So passed one of the most remarkable men of a remarkable generation, who, in and out of office, governed Japan for close on twelve years by sheer force of his iron will.

A man of strong passions and intense ambition, Katsura was brought up in a despotic atmosphere, which left its stamp on him throughout life. With little backing, by sheer energy and concentration of will, he forced himself into the very front rank of national leaders. Of complete independence of character, he relied on himself and on no one else. A slow thinker but a born fighter, once his mind was made up he kept on his course undeterred by any obstacles, and his course was rarely that of least resistance. Whilst he largely contributed to the glory of his country, he little recked the cost. An autocrat of autocrats, he, too, had to bow the knee to modern ideas, and the despot, who for a decade bitted and curbed the march of democracy, died a convert to party government, as optimistic of its future as he had once been of the infallibility of bureaucracy.

Abroad his name will ever be associated with the Anglo-Japanese Alliance, and this, without doubt, was the achievement of which he was most proud. It was the cynicism of fate that when he had to discuss its

terms with the late Sir Claude MacDonald, the conversations were always in German, the only foreign language of which the late Prince was a competent master.

No two men could form a greater contrast than Prince Katsura and Marquis Saionji did.

Saionji Kimmochi was born on October 23, 1849, and was the son of the thirtieth *Kuge* of the house of Tokudaiji, one of the noblest families of the Kyoto Court. His brother, Sanetsune, succeeded his father, and became the last *Kuge* of the line. He served the Imperial family previous to the Restoration and became the closest personal friend and attendant of the Meiji Tenno, to whom he was for long Grand Chamberlain, and until the Imperial demise in 1912 Grand Keeper of the Imperial Seals. In 1884, on the institution of the peerage, he was created Marquis, and in 1911 Prince.

Kimmochi married the Saionji heiress and was adopted as heir of the family, being created Marquis in 1884. Scion of a leading Kyoto family, closely involved in the mesh of intrigue which connected the Court and the dissentient *daimyo*, and himself of a precocious disposition, it is not surprising that at an early age Saionji himself took part in the Imperial councils which preceded the Restoration. That his merits were considerable may be judged from the fact that at nineteen he commanded one of the Imperial armies, and in the year of the Restoration, 1868, he was appointed Governor of Niigata Province.

Immediately the Shogun had retired there was an exodus from Japan of a number of the younger men desirous of studying abroad and of learning about the world. Saionji was one of these. In 1869 he resigned office and went to France, and liked that country so much that he remained there for eleven years. It was a very different Saionji who returned from Paris to the aristocratic, despotic young man who had gone there. It was in Paris that Saionji met Nakae Chomin and Matsuda Masahisa, two men who were destined to considerably influence his life. The former was an eccentric,

hard-drinking, often drunk, literary hack, sent to Paris to study French. Matsuda was a young man whose talents were discovered by the late Marquis Nabeshima, who paid his expenses in France as a student. Nakae ran intellectually wild, embraced Republican, even revolutionary principles, and infected Saionji with Radical contagion. Matsuda equally studied politics in the intervals of attending lectures on law, and not only became a capable lawyer but one of the few true constitutionalists in Japan. It may be imagined that association with a red-hot Radical and a progressive Liberal in Republican France in the strenuous years that succeeded the Franco-Prussian War, could not but have an effect on Saionji's nervous and imaginative temperament. As a result his views when he returned to Japan were a shock and a sorrow to his relatives and superiors. Undeterred by their obvious disapproval, in company with Nakae and Matsuda he started a newspaper called the *Toyō Jiyū Shimbun*, in which in unmeasured terms he denounced the clans and all their works. Saionji and his associates based their political views on Rousseau's *Contrat Social*, and their intention was to agitate for the creation of a system of government founded on the rights of man and on French political thought of the eighteenth century.

In the ordinary course it would not have been difficult for the authorities to nip the movement in the bud, suppress the newspaper, and deport the editors. The connection of Saionji with the movement made this an awkward proposition. Sanjo and Okubo argued kindly but unavailingly with the perverse aristocrat, and then, at the end of their resources, turned him over to Okuma, then Home Minister and as bureaucratic as any. Okuma sought to persuade, and failed. He then threatened arrest, and Saionji gave in, withdrew his name from the journal, and retired to the country to live down his reputation. Thus he lost his first chance of becoming famous. Nakae Chomin was expelled from the capital, and Matsuda became president of a high school. In

the course of time Saionji entered the Government service, where his family and talents soon marked him out for rapid promotion.

Saionji is often spoken of, outside Japan at least, as an almost unknown man, whereas in fact he has occupied every important post which offers to one who is neither soldier nor sailor. A Vice-Senator in 1881, he accompanied Ito in the following year on his tour of Europe and America, when the late Prince investigated the various constitutional systems with the view of drafting the Japanese Constitution. If Saionji still remained a believer in Rousseau's doctrines it must have been galling in the extreme to be a member of a commission which adopted the German political philosophy of the State. It seems probable, however, that before this Saionji had abandoned his revolutionary views, and under Ito's influence toned down into a respectable if not extreme bureaucrat. In 1885 he was appointed Minister at Vienna, and in 1888 was transferred to Berlin. His residence there was marked by two incidents. The first was his intense dislike of the city and of the people, which resulted in prolonged absences spent in Paris, so prolonged, indeed, that he had to be summarily recalled to his post by a wire from Okuma, then Foreign Minister. The second was his negotiation with Count Herbert Bismarck of a treaty abolishing extra-territoriality in Japan and establishing Mixed Courts for the trial of foreign accused. The premature publication of the text of the treaty by *The Times* caused a great popular agitation, and as a result the proposal was abandoned. He returned to Japan in 1891 and was appointed President of the Board of Decorations. In 1893, when Mutsu recommenced negotiations with the Powers for the revision of the foreign treaties, he became Vice-President of the Code Investigation Committee and also Vice-President of the House of Peers. The following year a Privy Councillor, after filling various offices in the medley of Cabinets which followed the war, in 1900

he became President of the Privy Council, as incumbent of which office he held the Premiership *ad interim* on no less than three occasions. In 1903 he vacated the Presidency to exchange positions with the late Prince Ito as leader of the Seiyukwai. This last was one of the most important moves on the political chessboard. Ito since the opening of the century had completely gone over to the political parties, and Saionji, who since 1882 had been his close friend, sympathized with these views. To crush the party opposition Ito was shelved in the Privy Council and Saionji, his most acceptable successor, led the Seiyukwai. The reason was that Saionji, though a friend of Ito, had already once been proved amenable to discipline. Ito was not. So amenable did the former show himself that from 1905 to 1914 the Seiyukwai supported the Katsura *régime* without a murmur. In January, 1906, when Katsura resigned, Saionji formed his first Ministry, which lasted until July, 1907. His second lasted from August, 1911, until December, 1912. Since then he has been in retirement.

Saionji is one of the most curious conundrums of any time, and certainly the most curious in modern Japan. He has been described as a bundle of contradictions, and he certainly is, unless he be accepted as the final proof that no Japanese statesman has any real political convictions. An aristocrat, rich, with the highest backing in Court circles, he became early in life a ranting Radical. Back in Japan he abandoned his ideals and was for years associated with despotic bureaucratism; then he conned his course until he became leader of the chief constitutional party, when he might reasonably have been expected to have made some move in the direction of inaugurating party government. Instead he delivered his party, bound body and soul, over to Katsura, the 'tiger of bureaucracy,' and so made possible that statesman's second tenure of office. Himself again Premier, he made one fight, and when worsted withdrew from the fray.

What is the reason that a man with all his advantages of birth, wealth, and influence, of great intelligence and fine scholarship, should prove really a failure? Regarded as an advocate of liberty and freedom, in and out of office he has proved himself an absolutist. An aristocrat to the marrow, there are few of his political speeches which do not smack of the plebeian. He condemns display as vulgar, but advises politicians to advertise. He denounces intrigue and show, retires to his villa at Kyoto, where he poses in the rôle of the 'ascetic hermit,' whilst some of the most notorious schemers in Japan are in his following. He used to abuse the clans but adopted a Mori for his heir, and made an alliance with Katsura that checked the advance of democracy for a decade. Why all these paradoxes?

The truth is that Saionji is a Rosebery and a Lucullus combined. He is fond of luxury, ease, pleasure, gaiety, scholarship, literature, music, and fine art; he detests work; he has no ambition and few, if any, convictions. Rumour has it that he is writing a book. Certain it is that the book will never be written, for he knows so much theoretically that he knows but little practically. He has had one enthusiasm in his life, and Okuma killed it in 1880. He is the most obliging man in Japan. Every office he has held he has accepted not because he wanted it but because some one else wanted him to take it. He became leader of the Seiyukwai to oblige Ito, and Premier in 1906 to oblige Katsura. He went out in 1907 to oblige him once more. He accepted the Premiership in 1911 to oblige Marquis Inouye. The only time he refused to oblige anybody was when he went out in 1912, and by then he was frankly sick of the cares of office.

The Marquis appears to be without convictions. He wanted to be a Radical Democrat, and as the powers that were peremptorily forbid it he has refused to be anything at all. He never yet drafted a policy of his own. In 1906 Katsura did it for him, even down

to his Budget ; in 1911 Inouye wrote it and Yamamoto Tatsuo carried it out. There used to be a song on the London music-halls about a 'tired' man. The Marquis is the 'tired' man of Japan. Far happier amongst his pictures, his curios, and his manuscripts, he is frankly bored with the selfishness, the corruption, and the intrigue of the *Kasumi-gaseki*. Brimful of all political theories, he has realized that in Japan they must still remain theories. Rich, he does not worry about money, so much so that his brother, Baron Sumitomo, manages his affairs, and even pays his bills. As to leading the Seiyukwai, once or twice a year he delivered a perfunctory address, but left all active management to Hara Kei, the manager, and to Matsuda Masahisa, the chairman of committee. If any one told him that his followers were a band of thieves and ruffians it raised a smile, but certainly no interest.

In Prince Yamagata he had, and has, a strong enemy. The Liberal principles he brought from France were red rags to the veteran of Odawara, and in addition Saionji followed Ito and his semi-constitutional ideas rather than the extreme views of the militarist clansmen. To make matters worse, Saionji has never paid deference to Yamagata, which in view of the former's ancient lineage and high rank is well understandable. At the deathbed of the Meiji Tenno he even flouted him, giving the doctors freedom from traditional fetters in handling the Imperial patient, and announcing his temperature, pulse, condition, and death as though he were but common clay.

Saionji will not go down to posterity as a great man. He has never done anything big, he has never developed a policy. If he has any convictions he has not the courage to stand up for them. He has held office as a favour, he has quitted it with relief. When his party refused to obey an Imperial Rescript in 1913 he took the blame on himself and the opportunity to retire from public life. It was no sacrifice, for his heart is not, and never has been, in Tokyo. A descendant of thirty-

one generations of *Kuge*, the product of centuries of effeminism, the natural growth of ages of cloistered seclusion, it is certain that Saionji Kimmochi, the aristocratic recluse, is happiest dreaming Utopias in his villa at Kyoto. His decision was a loss to his country, for a man even without ambition but with transparent honesty of action and purpose is not easily to be spared. His partisans ascribe his failure to Yamagata's malevolence. If he ever thinks of it he himself might ascribe it to Okuma. In reality it was due to his own lack of definition. The weakness of his character and his amiable facility for obliging others will mark him out only as a might-have-been on the pages of history.

The composition of the second Saionji Cabinet¹ was proof sufficient of the poor state of party politics in Japan, and in especial of the state of the Seiyukwai. As head of that party and unfettered by the inheritance of a definite programme from his predecessor, as had been the case in 1906, it might reasonably have been expected that Saionji would form a party Cabinet, excepting of course the Ministers of War and the Navy, still the nominees of the two clans through the Emperor. Only three portfolios were, however, allotted to the Seiyukwai, and of these two were held by Hara and Matsuda, men who had been long associated with bureaucracy. That not more were given was due to the party's lack of men of even ordinary probity and respectability. More striking still, the two departments of Communications and Agriculture and Commerce were

¹ Premier	Marquis Saionji
Minister of Foreign Affairs	Viscount Uchida
" Home Affairs	Mr. Hara
" Finance	Mr. Tatsuo Yamamoto
" War	Baron Ishimoto, Baron Uehara
" Navy	Baron Saito
" Justice	Mr. Matsuda
" Agriculture & Commerce	Baron Makino
" Communications	Count Hayashi
" Education	Mr. Haseba

pecially entrusted to Hayashi and Makino, as being men whose personal integrity would be a guarantee against a continuance of the corruption and graft which enveloped those two institutions. Of the individual members Hayashi had previously served as Foreign Minister, but had so provoked the clan wrath by his sturdy independence on the Manchurian question that its portals were closed to him. Makino, a son of the great Okubo, had been Minister of Education, whilst Hara and Matsuda returned to their former posts. Yamamoto was the unknown quantity of the Cabinet. Of none of the others much was expected. Hayashi in his new berth had no scope for his diplomatic talents, and neither Matsuda, Haseba, Uchida, nor Makino were men of much energy or initiative. Events fully proved the correctness of the popular anticipations, and for all the impression that any one of them has given to his department the appointments might just as well have been left unfilled.

Ishimoto, who died in April, 1912, and was succeeded by Baron Uehara, and Saito as the nominees of Choshu and Satsuma, fulfilled their usual rôles, demanding the largest possible appropriations for the Army and Navy. Hara as manager of the Seiyukwai held a rather more important position than any of his colleagues.

The then leader of the Seiyukwai and one of the most powerful personalities in Japanese politics was born in 1854 at Morioka. He studied law in the college attached to the Department of Justice, but, coming to the conclusion that an office career had little to offer him, abandoned his lectures and entered free-lance journalism. This was at the time when the early constitutionalists were beginning their press agitation, and in 1880 he joined the staff of the *Yubin Hochi Shimbun*, in the columns of which paper Inukai Ki, Ozaki Yukio, Nakae Chomin, and other reformers were fiercely attacking the abuses of clan government. Hara added his pipe to the concert, but though he was a skilful and energetic player he found that he was only a member,

and an insignificant one at that, of a large orchestra, and with little chance of early promotion to the rank of soloist. With startling rapidity he abandoned his progressive principles, accepted baptism in the creed of ultra-bureaucracy, and became editor of a *Goyo Shimbun* (official organ) started by the clans to combat the democrats. He was attached as official reporter to the Japanese Mission to Korea, and thus came into touch with the late Marquis Inouye, then Foreign Minister. The latter recognized his business ability and offered him a post in the Foreign Office, as well as arranging a marriage with his stepdaughter. In 1884 he was promoted to be Consul at Tientsin, a post which he held during the Ito mission, which concluded with the signature of the Convention of Tientsin. From that time his future was assured. He was connected by marriage with both Inouye and Ito, a relationship which, coupled with his ability, ensured rapid progress. He served a period as Secretary of Legation and Chargé d'Affaires at Paris, but returned to Japan when Inouye resigned the Ministry of Foreign Affairs after the failure of the treaty revisions. On his patron filling the Ministry of Agriculture he took the post of private secretary, and was transferred with the portfolio to Mutsu when the latter succeeded to the office.

The association between Inouye, Ito, Mutsu, and Hara was a very striking one. Inouye frankly had no delusions on the question of politics. He strongly approved of the clan government as best suited to the needs of the moment and because there was nothing to replace it. On the other hand, he could see that with increasing progress and extending knowledge the popular demand for a share in the administration would have to be admitted. Ito was an opportunist. He had too many enemies in high places to permit of his openly embracing party views, besides which he was too much of a clan-bureaucrat to sacrifice the official predominance on the altar of democracy. Like Inouye he recognized a concession to be necessary, but he adopted the German

doctrines which conceded nothing to the people and everything to the State as a satisfactory exit from the *impasse*. At the same time, though actively anti-democratic, both Ito and Inouye were passively sympathetic towards the popular movements. They gave perfunctory benedictions to Itagaki and Okuma, but more than that they drew round them men like Mutsu, Saionji, Hara, Matsuda, Oichi, Mori, and others, and whilst advancing them in office and the arts of government created a class of party politicians who might in the future be relied on to act as a brake on any attempt of the extremists to stampede the country in the cause of democracy.

To return to the subject of this sketch. Hara followed Mutsu to the Foreign Office, becoming Director of the Commercial Bureau, and, after Hayashi Tadasu's appointment as Minister to Peking, Vice-Minister of Foreign Affairs. It was in these positions that Hara displayed most brilliantly his business abilities. When Mutsu died Hara resigned office, and on a hint from Ito went back to journalism as editor of the *Osaka Mainichi Shimbun*, a sturdy organ of constitutional government, and one of the most widely read newspapers in Japan. Straws were already showing the direction of the wind, and it was no surprise when Ito formed the Seiyukwai in 1900 to find Hara as one of the managers. The same year he went into the Cabinet as Minister of Communications in succession to Hochi Toru. On the fall of the Ito Cabinet he doubled the editorship of the *Osaka Shimpō* with the management of the party. He was Minister of Home Affairs in both the Saionji Cabinets, and on the retirement of Marquis Saionji in 1913 became in name what he had in fact long been, leader of the Seiyukwai.

Hara Kei, like the late Prince Katsura, is a notable product of the times in Japan, the incarnation of current political thought. He is a successful man, in the modern understanding of success. Of great energy and considerable ability, he has known how to trim his course

to avoid rocks and shoals. He has decided views both on policy and administration, and once he had risen to positions of authority he knew how to impress those views on his superiors. In the two Saionji Cabinets he was certainly the dominating personality, so much so that the Japanese nicknamed them 'Hara's Cabinets.' Though as regards his personal position his career has been a success, the same cannot be said of the party of which he is now the acknowledged head. If ever there was a gang of thieves out for boodle it was the Seiyukwai during the years that succeeded the Russian War. It is the conduct of his party which has made Hara's name mud in Japan, for he is eventually the responsible person, and has never made any effort to check the corruption and the blackmail which is rampant through its ranks. Such incidents as the Electric Light Charter, the Tramway Municipalization, and the Katsura *entente* clearly demonstrated the iniquities of this Japanese Tammany Hall. The Seiyukwai simply put up its services to auction, and the price was cash and concessions. The most illuminating proof of the unfitness of the party was the refusal of Saionji and Hara to admit more than three of its members to office.

Against Hara himself no charge of immorality has ever been brought. A rich man himself, he receives £4,000 per annum as adviser to the Furukawa family in addition to his salary from the party and his own resources. No breath of suspicion has ever dimmed his personal reputation for integrity. Yet, like Oura, an equally honest man, he has throughout his party career been the leader of a band of rascals to whom public funds and public requirements are the natural avenues to wealth.

It is an extraordinary thing in Japan that most of the political leaders are comparatively high-minded and honest, but they have been forced to wink at, and even on occasions to encourage, the vilest practices by their supporters, owing to the constant necessity

of recruiting, rewarding the recruits, and of meeting the bribery and corruption practised by the clans in their fight against the people. In a country where neither the public conscience nor the public funds are strictly regarded, it is only natural that politics should be a welter of filth.

The question may be asked, 'Whence come the funds of the politicians?' The financial requirements of a party are extremely large, and if only £100 was given by each headquarters to each of its candidates some Y900,000 would be required at every election. Each party contains some rich men who give of their abundance. Each party contains some men who though not rich themselves handle money, and these are able to obtain considerable contributions in return for the support of the party to their schemes. A writer on this subject in the *Taiyo* says: "In the Seiyukwai there are individual members who are known to be very wealthy. Mr. K. Okazaki, for example, himself has a fortune of half a million, and in addition the backing of the Furukawas, the copper millionaires. But Mr. Okazaki is not well known for generosity. Mr. Satake, President of the Tokyo Electric Light Company, is well known to have Y3,000,000 and his own rich family, the Koshu, behind him. Mr. Bokushin Oi, of Osaka, is another rich man who has contributed freely. The Sumitomo family annually put Y30,000 at the disposal of Marquis Saionji, which sum he transfers to the party. Mr. Hara Kei, as adviser to the Furukawa, draws an annual allowance of Y50,000, but this is paid to Mr. Hara personally, and if any is paid to the Seiyukwai it is not a family affair, for the Furukawas have a family law not to support political parties."

The importance of finances in political life is that contributions of large sums are able not only to influence the programme but even to completely reverse it. In Japan a person does not subscribe to a party because he approves its platform. On the contrary, when a

party is seen to be in funds many persons subscribe to its principles. The most dangerous influence the few genuine patriots have to fight is that of money. The only group which is not subject to the gold stream is the Nationalist with Mr. Inukai at its head. When the Tosa-Iwasaki section of it demanded an *entente* with Katsura on the same lines as the Seiyukwai had, the necessary funds to shut out the dissidents were raised by a whip round the loyal members of the party and Y80,000 was paid in, though the members are mostly poor men—but men whose principles are above their pockets.

One method adopted to raise the wind has been to start a commercial undertaking, buy the share issue with borrowed money, and when the stock had been sufficiently boomed to unload on the public, placing the profit to the credit of the party funds.

Both individual members and parties receive considerable sums from corporations and the great business firms, who in return control their voting on questions affecting their interests. In 1908 the Fujimoto Bank failed, and as a result of a complaint from the British Ambassador a searching investigation ensued, which showed that a sum of Y120,100 had been paid by the directors of the Dai Nippon Sugar Company to members of the Seiyukwai to induce the party to approve a measure creating a State monopoly of sugar.

The municipalization of the Tokyo tramways in 1912 was the result of a measure introduced by the Katsura Cabinet, firstly that the foreign loan floated in London might be available to bolster up the specie reserve, and secondly that the proprietors might be eased of their burden. It was estimated that the Seiyukwai touched Y395,000 over this transaction.

When the Seiyukwai supported Satsuma to turn out the third Katsura Cabinet the Navy paid Y150,000 to the party and individual members, whilst Katsura spent Y34,000 of public funds from the Secret Service account

and some ¥250,000 of his own money in forming a party to oppose them.

The shipbuilding companies and armament firms have spent a lot of money on getting the naval and military programmes passed. A considerable portion of the 'commissions' exposed in the Naval Scandal of 1914 were intended and were used for influencing party actions in the Diet.

In 1912 and 1913 a French armament firm was anxious for the privilege of subscribing to the Seiyu-kwai and its corollary of filling the orders for guns. The scheme, curiously enough, came to nought, for there was an understanding in connection with the Anglo-Japanese Alliance that a certain proportion of Japan's foreign armament orders shall be placed in England, and the necessary steps were taken to upset the Gallic applicant. In fact, the Lower House in Japan as a rule represents every interest except the public.

Bribery is at present a *sine quâ non* of politics in Japan, whether parties or individuals are concerned. In 1913, after Katsura fell ill, Baron Goto stumped the country on behalf of his party, the formation of the nucleus of which cost ¥300,000—and some more. The Baron said it was impossible to go on with the party unless ¥1,000,000 were put up for exigencies. Why? Obviously the million was wanted to bribe electors and would-be deserters. As no one offered to trust the Baron with this sum he resigned from the party.

It is the same at elections. A candidate's expenses average ¥10,000, and in many constituencies they amount to ¥30,000. The *Tokyo Nichi Nichi Shimbun* in May, 1912, said: "The ignorance of the people of the scope and function of constitutional government has resulted in the prevalence of bribery and corruption. The true reason for the great number of violations of the Election Law is due to lack of proper education. The people do not intend to sell their votes, but as voting means a loss of time and a day's work they vote for the

person who will acknowledge their services. In 1908 a vote was worth eight yen, in 1912 it was worth fourteen." Not only is bribery rampant—Dr. Uehara calls it 'general'—but even intimidation is constantly resorted to. I remember a case at Wakayama in 1912 where the Seiyukwai candidate held the polling-booth at the point of the pistol, only admitting his own supporters. Nobody attempted to arrest him. Although this year (1915) the Ministry has rigorously asserted the law, charges of bribery have been so frequent in the law lists as to leave no doubt that the general conditions are unchanged.

It is unreasonable to blame the people for this state of affairs. The Government alone is responsible. The whole tendency of administration and education in Japan has been to minimize the power of the Diet and the importance of the franchise. The voter has no idea of politics, or even of the political meaning of his act. His vote has no political value whatever; it represents a possible avenue to a little cash if adroitly and secretively used. The system of education, which is based on mythology and servility, is to blame for this ignorance.

Again, it was the Government which initiated the bribery and intimidation which are the usual methods of becoming M.P. When Viscount Shinagawa held the booths in 1892 it was at the behest of Marquis Matsukata, whilst Yamagata's 'gold pills' were famous twenty years ago. The Chuo-ha, the political party led by Baron Oura, was Yamagata's machine, and was openly acknowledged to be kept together by bribery. It is one of the paradoxes of Japan that Baron Oura, who played so prominent a part in the Shinagawa affair of 1892, who has for years led the Chuo-ha, a band of political beachcombers, who was responsible for the riots of 1913, should now again rule at the Home Office to enforce the Election Law. The lengths to which a Government and a party will go were illustrated in 1913, when the Satsuma-Seiyukwai Ministry held up

all the mail of the Katsura party, and sent round policemen on house-to-house visits advising the electors to 'beware' of the Rikken Doshikai.¹

The extent to which politicians are influenced by self-interest may be suggested by the career of the late Hoshi Toru. Originally a teacher of English, he was taken up by the late Count Mutsu, under whose leadership he distinguished himself in a dispute with Sir Harry Parkes as to the correct translation of the words 'Queen' and 'Empress.' Later he was sent to England and graduated at the Temple. On his return he joined the Department of Justice. In 1883 he quitted office to follow Count Itagaki, a step due entirely to the fight between the Mitsu Bishi and the Kyodo Unyo Companies, in the latter of which Hoshi held shares. His energy and boldness soon placed him at the top of the ladder, and he even displaced Itagaki in the leadership of the party and in the affections of the people. He became President of the Lower House, but in conjunction with Goto and other prominent men became mixed in a graft scandal, which the opposition quickly utilized to expel him. He stood in the next Election, and after a bitter contest, in which one person was killed and 117 wounded, was defeated. Ambition was his weakness, and he readily gave up domestic politics to accept the post of Minister to Washington. In America he learned all the methods of the political boss, and on his return to Japan smashed the Liberal-Progressive combination and took the former party over to Ito, who rewarded him with the portfolio of Communications.

Both the bureaucrats and the Progressives attacked Ito for this appointment with such violence that Hoshi was forced to resign. The bureaucrats, led by Yamagata, used Hoshi as a stick to beat Ito, accusing him of disrespect to the Throne in appointing as a Minister a person already once expelled from the House, whilst the Progressives were frankly afraid of Hoshi's methods

¹ Prince Katsura's party, now merged in the Kenkodai.

and ambitions. He entered municipal politics, converting the town hall into a Tammany brothel, on the steps of which he was eventually assassinated as the result of the incitation of Shimada Saburo, now Speaker and a leader of the Rikken Doshikai, and then editor of the *Tokyo Mainichi Shimbun*. Hoshi has left a deeper mark on political methods in Japan than any one else. A man of extraordinary determination and of magnificent eloquence, he had the lowest political standard. He was himself repeatedly bribed into the surrender of his party's aims, and had no hesitation in using similar methods towards his supporters and enemies. He deliberately sold out to Yamagata and to Ito. More than any other politician he was responsible for the policy of intimidation, and never went to an electioneering meeting without a bodyguard of *soshi* (toughs), who at the least sign of heckling or dissent were loosed on the opposition. His career affords an interesting study of political knavery, and is a useful index to the customs of his time, customs which have to a great extent endured to the present day.

In the Confucian Analects the following passage occurs: "Tsu Kung asked for a definition of good government. The Master replied: 'It consists in providing enough food to eat, in keeping enough soldiers to guard the State, and in winning the confidence of the people.' 'And if one of these things has to be sacrificed, which should go first?' The Master replied: 'Sacrifice the soldiers.' 'And if of the two remaining things one has to be sacrificed, which should it be?' The Master said: 'Let it be the food. From the beginning men have had to die. But without the confidence of the people no government can exist.'"

It was with the intention of carrying out the principles of Confucius that Marquis Saionji formed his second administration. The confidence of the people, the food of the people, and then national defence. It was for these reasons that sweeping changes were made in administrative offices, that a non-party Finance

Minister was appointed with the most explicit instructions to cut down expenses, and a wide and representative committee formed to reorganize the whole administrative system on a more efficient and less costly basis. In 1912 Japan was as near an internal revolution as it is good for any nation to go. The cost of living was prohibitive, and the utmost misery was spread throughout the country. In Hongo and the slum districts conditions were absolutely on a famine basis, and even in the better quarters the distress was appalling. The price of rice, the staple food of the people, rose from ¥15.77 per *koku* to ¥23.65. (The price in 1911 was between ¥11.15 and ¥16.19.) It is impossible to underestimate the disastrous effect of this rise, for the price of rice is the basis on which wages and commodities are fixed. Taxation was another tremendous burden on the people. The futile Katsura plans to pay off the war expenditure in record time had hopelessly collapsed, and had left a burden on the people of ¥12.80 *per capita*. The average income of an agricultural labourer's family in 1912 was ¥49 per annum. Deduct ¥32.40, being cost of rice for a year for a family of husband, wife, and three children, and not much is left for clothes, rent, food, light—and taxes, which represent ¥10.80 for such a family. The Budget put forward by Mr. Yamamoto reduced revenue and expenditure by ¥75,000,000, and in spite of the bitterest protests of Admiral Saito the Navy were forced to cut down their appropriations from ¥598,000,000 in seven years to ¥350,000,000 in eleven years.¹ The War Department, under Imperial influence, offered no serious opposition on this occasion to the proposed reductions, and were satisfied with a vague promise of better times the next year. This reduction, however, was not the best that could be done, and as soon as the Adminis-

¹ This result was achieved by Mr. Yamamoto giving the Satsuma representatives forty-eight hours to accept the Budget, otherwise he would resign and publish to the country an exhaustive analysis of Japan's financial conditions.

trative Reform Committee had issued its report (June, 1912) a further reduction of Y70,000,000 was shown, of which Y20,600,000 was obtained by postponing continuing programmes and Y15,200,000 by increased revenue from the monopolies and public works. No less than Y29,000,000 was saved by reorganization of the various ministerial departments, which incidentally resulted in the dismissal of 5,300 senior officials and about 20,000 petty officials and employ  s, and self-denying ordinances were undertaken that no foreign loans should be issued and that the amount of Treasury Bills should be strictly limited.

The principal backer of the Ministry, the Emperor Mutsuhito, died on July 30, 1912, and thereafter trouble was just as certain as the sea is wet. Yamagata, always an opponent of Saionji, resumed an aggressive attitude, and instructed Uehara, the Minister of War, that no economies were to be effected in his department unless the Cabinet agreed to devote those economies to an increase in the Army of two divisions, the first instalment of a proposed increase to twenty-five divisions. This proposed augmentation had been pending for some years, and was part of the grandiloquent expansionist policy which had been the Choshu contribution to the *post-bellum* Imperialism. It had received the consent of the late Emperor, but this consent had been coupled with an explicit veto on the implementing of the proposal until such time as the country was in a financial position to bear the additional burden. It had already been rejected by Katsura, and was rejected by him again in 1913 expressly on this Imperial prohibition. This fact had no influence whatsoever with Yamagata. *Vis-  -vis* the interests of the Choshu clan the Imperial wishes have little weight. Yamagata intended to kick Saionji out because he did not like him and his popularity, because he had granted part of the demands of the Navy but none of those of the Army, because he had flouted him and his position as President of the Privy Council during the Emperor's illness, and, most

important of all, because he (Yamagata) wanted the power back in his own hands. Uehara was the doll that did the jumping, Yamagata pulled the strings.¹

* As Uehara was bitterly attacked in connection with his resignation, it is worth while pointing out that he acted in every way perfectly correctly according to the Constitution. The fault did not lay with Uehara, but with the Constitution and its framers.

CHAPTER THREE

POLITICS

PART II

ON November 30th Uehara's preliminary proposals having been refused by the Cabinet, the War Minister called on Saionji and delivered an ultimatum, either acceptance of the Army increase or——. A Cabinet meeting was called that evening and the proposal placed before it. It was unanimously rejected. On December 1st (Sunday) the Minister of War was officially informed of the decision, and at 10 a.m. on Monday morning he placed his resignation in the hands of the Emperor. Readers may say that there was nothing serious in the situation at this stage, and Saionji could have appointed another Minister to replace Uehara. But really he could not. By three o'clock in the afternoon it was known that Choshu and the Army had declared a boycott of the Saionji Cabinet, and no general officer would accept the portfolio. The Minister for War had to be a general.¹ On December 4th Saionji, who refused to have recourse to an Imperial Edict to keep Uehara in office, resigned, and Prince Yamagata had attained his first object.

In the second phase, however, the Choshu veteran overstepped himself. Saionji, who was by no means the fool that Yamagata believed him to be, recommended Katsura as his successor. Now the Prince had wanted the Saionji Ministry out of the way to make room for Terauchi or Hirata, these being his two faith-

¹ In 1914 the Okuma Cabinet obtained an Imperial Rescript opening the post to retired generals.

ful henchmen. Katsura in office was certain to pay as little heed to whispers from Odawara as Saionji had done. To make matters worse, both Terauchi and Hirata felt shy of the honour proposed for them. Determined not to have Katsura, Yamagata fell back on a Sat-cho coalition of the old type with Matsukata as Premier. Though seventy-three years of age the Marquis felt equal to the task, the more so as it afforded opportunities for the exercise of his wonderful financial abilities. Affairs even got so far as for the Marquis to come up to Tokyo, but as soon as he got there the Satsuma men opened his eyes to the real state of affairs, namely, that Yamagata, foiled once, wanted to use him as a catspaw, and, more important still, that Choshu were at sixes and sevens owing to the split between Yamagata and Katsura, a condition from which Satsuma could reap much advantage by holding their horses. He went to bed sick of the stomach, the usual recourse of a Japanese in trouble. Katsura, frankly desirous of seeing Yamagata defeated, was solicitous enough to send the Imperial physician to certify that the Marquis was too ill to take office. There was a deadlock all round. Yamagata had no candidate, Satsuma declined the honour for the time being, and Saionji was now out and determined to stop out. The final decision came from within the palace. There Saionji enjoys considerable influence through his brother, Prince Tokudaiji, and, as stated, Saionji had recommended Katsura. In addition the ladies of the palace did not want Katsura as Lord Privy Seal. They never have wanted anybody with energy and decision, and they gladly helped in the movement. Finally Prince Fushimi, the Lord Chamberlain and uncle of the Emperor, advised the transfer of the Lord Privy Seal to the Premiership. Yamagata was forced to agree, and Katsura formed his third Ministry. As far as Yamagata was concerned he had, as the Japanese say, 'poked the bush and brought out a serpent.' Did Katsura want to take office again?

Yes, but not then. He was tired of the palace, but he had no desire to see Saionji resign. Indeed he went so far on December 1st as to promise Saionji his support if he would remain in office.

The results of the fall of the Saionji Cabinet were important. I think that the general assumption that the incidents demonstrated the effeteness and failure of the Genro is incorrect. It appears to me that the clans are to-day as firmly entrenched as ever they were. The set-back which Yamagata received was not due to a failure of Genro prestige and methods but to a split between the Choshu factions and to the refusal of Satsuma to take part in the proceedings.

The most noticeable feature of the events of December, 1912, was the remarkable grasp of the constitutional aspects of the situation displayed by the Japanese press. No reader of the vernacular papers could any longer be in doubt of the existence and extent of the clan machine and of the infallible processes by which it could assert to itself the power to dictate the policies of ministries and nation. The popular indignation gave to the press an opportunity of leading the nation. That it later resulted in mob law, a condition which has been repeated in successive years (1913, 1914, and 1915) is a matter of regret, but inevitable in a country where the people have no other articulate method of expressing their grievances.

The most important consequence of the whole affair was the confession by Katsura that a Government must be backed by its own party, an expression of opinion which has been further developed by his successor, Kato, into 'a Government can only rule by the support of a majority of the House of Representatives.' Whether Kato can carry that maxim into practice remains to be seen, for it implies a determination to resign in the event of the failure of a Ministerial vote in the House. The Genro firmly believe that whilst there is life there is scope, and will strain every faculty to revert to the old order of things.

There is no doubt that observers both abroad and in Japan believed that the millennium had arrived when Prince Katsura was driven out of office in February, 1913. The words of Ono Azusa at the foundation of Waseda University were recalled, printed as leaflets, and scattered broadcast. "A country's independence depends on the independence of her people." This and similar extracts from the writings and sayings of the early pioneers of democracy were widely published. The fall of Katsura, the 'tiger of bureaucracy,' was welcomed as the smashing up of the bureaucratic system. But nothing has happened since in Japan to indicate that the anticipation was correct.

When Katsura had formed his Ministry¹ he had to get a party to back it. It was at once known that such was his intention, and it was quite in accordance with the Japanese idea of politics that a party should be formed before a platform was published. After all, a platform is only important where a party has fixed ideas, but when it is only a chorus to its leader its principles are a secondary matter.

I think Katsura made a great mistake in accepting office. He excused himself afterwards by saying that it was forced on him by the palace. If acceptance was inevitable, then he seriously overestimated his own influence and seriously underestimated the power of his enemies. Without doubt Prince Yamagata could have undeceived him, but it was no part of that worthy's game to prevent Katsura committing political *hari-kiri*. With the backing of the Seiyukwai he could have

¹ Premier	Prince Katsura
Foreign Minister	Baron T. Kato
Home "	Baron Oura
Finance "	Mr. Wakatsuki
Navy "	Admiral Saito
War "	General Kigoshi
Justice "	M. Matsumuro
Education "	Dr. Shibata
Agriculture and Commerce.....	Mr. Nakashoji
Communications	Baron Goto

got through, but he deliberately, 'cut his ropes' with them as a political party, though he intended to seduce individual members by bribes. He was heavily handicapped by the *personnel* of his Cabinet. He relied in an entirely new scheme of government on men who, with one exception, were notorious for their connection with bureaucracy and with his previous despotic administration.

Kato Takagaki, the exception, was born in 1860 in Aichi Prefecture. He graduated in law from the Tokyo Imperial University in 1881, and thereafter entered the service of the famous Mitsu Bishi. His marriage with Harugi, the sister of Baron Iwasaki, the present head of the firm, is the reason that Japanese writers refer to him as a Mitsu Bishi bridegroom. Thanks to the Iwasaki influence he quickly obtained an appointment in the Tokyo Foreign Office, eventually becoming private secretary to Count Okuma, Director of the Finance and Taxation Bureaux at the Treasury, and in 1894 Minister in London. In the fourth Ito Cabinet he was Minister of Foreign Affairs, but retired to acquire the *Nichi Nichi Shimbun* and a seat in the Lower House. At that time a supporter of representative government, he endeavoured to create a political *entente* between Ito and Okuma. Ito had been so impressed by his energy and knowledge of party politics that his reminiscences record that in 1900 he only invited Kato to join the Cabinet because he was too strong a man to have in opposition. Kato himself was more attracted to Okuma, whom he early recognized as the 'good egg' of Japanese politics, whilst Ito was only good in parts.

In the first Saionji Cabinet Kato was Foreign Minister, but resigned on the Railway Nationalization proposal, of which he strongly disapproved.

Although Ambassador in London from 1906-13, Kato has been largely responsible for Japan's Chinese policy since 1911. He has ideas of his own on this subject, on which he came to an agreement with Katsura in

1912. In 1913 he joined the latter, as much because he hoped to put these ideas into practice as because he had received assurances from Katsura as to the genuineness of his party intentions.

He alone was responsible for the Japanese demands on China at the beginning of 1915. How it was that he came to so misjudge the situation, and in particular the strength of British feeling with regard to China, cannot be explained. Few Japanese have been credited with a deeper knowledge of British affairs and a clearer insight into British character than Kato, and yet no occupant of the *Gwaimusho* (F.O.) has ever made a bigger blunder. The results of his aggressive policy will have far-reaching results, and it will take all the suavity and tact of Baron Ishii to remove the suspicion of Japanese designs that has been aroused.

That Kato was the strong man of the Okuma Cabinet of 1914 was clear to every student of Japanese politics. Invited to join the third Katsura Administration on account of his intimate acquaintance with the English political system, he was largely responsible for the details of the formation of the Rikken Doshikai, of which party he became the Vice-President. At the death of the late Prince he succeeded to the Presidency, and spent the whole of his time in energetic propaganda and administration. He was responsible for the resignation of Baron Goto, who was imbued with the old ideas of the purpose of politics. At the last General Election the Baron led his party to overwhelming victory, and as he is bound to the principle of Ministerial responsibility to Parliament he is certain within a short period to come back into office at the head of a purely party Cabinet. The introduction of party government on the English model is the work he has to accomplish.

He is strongly disliked by the surviving Genro, by Yamagata, and the militarists of Choshu, because he is too independent to meet their views, though in truth they owe him a meed of gratitude for breaking up the

Seiyukwai, for fifteen years the Field-Marshal's *bête noir*. By Matsukata and Satsuma he is naturally hated, for he pulled the wires which wrecked the Yamamoto Cabinet in 1914. In addition, he has been outspoken in his views on the anomalous position of the Genro, though he was not able to resist their demand for his resignation in August last.

A strong man, a gentleman, wealthy and with considerable family influence behind him, he is now without doubt Japan's leading statesman. He is curiously unpopular, for he is lacking in that magnetic attraction which was so strong a feature of the late Prince Ito. A very undemonstrative man, he does not care for public approval or disapproval, and he is wanting in enthusiasm of speech or manner. He has even been accused of being 'too English,' an accusation distinctly to the credit of the English.

The idea of Katsura governing according to correct party rules, struck the man in the street as irresistibly funny, forgetting the words of Wei 'San Kuei, "The truly great man will always frame his actions with careful regard for the exigencies of the moment." Katsura himself gave the show away in an interview which was not for publication. I asked him how he proposed to proceed, and he ran his first finger along a groove in the table at which we were sitting. "So. Just so!" The rule of thumb, the straight line, regimental discipline were the only methods he understood. Outside of Kato his Cabinet contained nobody of note. The Minister of Finance, Wakatsuki, had still his reputation to make, though he could expatiate on the mercantilist theory by the hour. The inclusion of Oura and Goto was alone sufficient to provoke disaster. No two men were more disliked both in and out of the Diet.

The Home Office is the most important post in the Cabinet for any Premier with autocratic tendencies. Police, prefectures, and the whole vast machinery of local government with its immense patronage is at the disposal of its occupant. In 1871 Oura, who was born

in 1850, was a sergeant of police. He rose to be a junior inspector, and in 1874 took part in the Formosan expedition. On his return he rejoined the police and became Inspector. In the Saigo rebellion, 1877, he became a sub-lieutenant, and then lieutenant in the Army. He rose through the positions of Vice-Chief of the Police Bureau and Commissioner of Police for Osaka, and Governor of two prefectures, to the post of Superintendent-General of Police in 1899, and in 1900 was an Imperial nominee to the House of Peers. In the first Katsura Ministry he was Minister of Communications, and in the second Minister of Agriculture and Commerce, and visited London as President of the Anglo-Japanese Exhibition. Oura is one of the few exceptions in Japan to the rule that kissing goes by favour. He has risen entirely by the merits of his own character, principally by his strict obedience to the instructions of his superiors. He is a simple man, without learning, without wants, and without influence, and far more considerate of his social and official inferiors than of his superiors. He has great self-possession and immense courage, physical and moral. He is entirely lacking in independence, and he has gained considerable opprobrium owing to the duties he has had to perform on behalf of Yamagata and Katsura. His explicit obedience to orders is almost pathetic. If his chief instructed him to lock up all the members of the Diet, he would do it without hesitation, without pleasure, and without regret. As head of the Chuo-ha, he has handled large sums in bribes, but his worst enemy never charged him with keeping back a *sen* of what passed through his hands. He is a man without ambition and without independence, but he owes the tarnish on his reputation to the dirty work he has repeatedly had to do for his superiors.

Goto is a man of quite different calibre. He was born in 1857, both his father and grandfather being doctors. He had the good fortune to attend Count Itagaki, after the attempt to assassinate him at Fumoto in 1882. The Count's interest obtained his transfer

to the Home Department, and in 1883 he became Director of the Sanitary Bureau. In 1889 he was sent to Berlin to study Hygiene, returning in 1892. The following year he was implicated in the Soma graft scandal, but was acquitted, the Judge accusing him of shamming crazy. He has been principally noted for his ambition, vanity, and servility. At the same time he is extremely capable in his own sphere. His sanitary work was so excellent in the China War that Count Kodama took him to Formosa as his Chief of Civil Administration. To Goto is due entirely the excellent system of light railways throughout the sugar districts of the island. He planned and set up the whole of the Civil Administration, the camphor and salt monopolies, and his *régime* was on the whole very creditable. As President of the Manchurian Railway after the war, he showed himself a good traffic manager, which resulted in his appointment as Minister of Communications in the second and third Katsura Cabinets. Unfortunately, though the Baron published a book on *Character as the Means of Getting On in the World*, he is generally reputed to be no stickler for character. He is certainly the richest ex-Cabinet Minister, and his name has been frequently mentioned in connection with graft scandals. Foreign merchants openly assert that he is an incorrigible commission hunter, but also that he is very square in his dealings, once his own share has been fixed. When the S.M.R. raised £6,000,000 in London and spent it on American rolling stock and locomotives, the Japanese press credited Goto with 5 per cent. commission. Mr. Tayabe Shuntei, in a very brilliant summary of the man, described him as a "brilliant stage actor, in turn the worshipper of the man in power, being successively an Okumaite, Itoite, Yamagatite, and Katsurite. In addition he is the biggest boaster in Japan, though in fact as courageous as a chicken." Certainly he was servile as a worm. I well remember the scene when Katsura and he left for Petrograd in 1912. The two principal characters met in a waiting-room at Shimbashi Station, and then walked

down the platform between crowds carefully staged on either side. First came Katsura, straight in the back and perky as ever, a panama hat in his hand. A few paces behind came Goto, making low bows to the people, and lower bows still to anybody he happened to know. With Katsura he went out of power, and with Katsura dead he will hardly become a power again. His supreme ambition has been to represent Japan abroad, and Petrograd is the post he has always had his eye on. It is quite certain, however, that this ambition will remain unfulfilled.¹

Of the other members of the Cabinet none call for especial mention. None had held office before, and their principal claim was a willingness to obey orders. General Kigoshi took the War portfolio, being selected for the post as a non-Choshu officer.

The Rikken Doshikai was the name chosen by Prince Katsura for his new party. Such is the power of money that he succeeded in gaining in the short space of three weeks sixty-four adherents, mostly deserters from the Seiyukwai, the Kokuminto (Nationalists), and the Independents. No less than forty-seven Nationalists went over, tired of following a leader who preferred his principles to office. The most notable of the new party were Messrs. Oishi, Shimada, and Minoura. The former had previously been caught in high treason against his own party, when in 1911 he tried to negotiate an *entente* with the second Katsura Ministry. Shimada was the leading demagogue of Japan, and was in financial difficulties, which kind friends straightened out, besides giving him a handsome motor-car. Minoura was the editor of Okuma's paper, the *Hochi*.

The party having been formed, a platform was published. Below I compare it with those of the Seiyukwai, Kokuminto, and Chusei-Kai.

¹ Baron Goto resigned from the Rikken Doshikai in 1914, previous to the exile of that party, as the result of the Oura Election Affair (see p. 185). He was appointed Minister of Home Affairs in the Perauchi Cabinet, 1916.

RIKKEN DOSHIKAI

Platform or Main Policy

- (1) Devotion to Imperial House
- (2) Advancement of Japan
- (3) Preservation of the Constitution
- (4) Definition of Ministerial Responsibility
- (5) Dissemination of Morals and Education
- (6) The promotion of fraternal relations
- (7) Improvement of Industry and Finance
- (8) Strengthening of Colonial Policy, the upholding of International Peace and National Prestige and the Purification of the Public Services

SEIYUKWAI

Platform or Main Policy

Same

KOKUMINTO

Platform or Main Policy

Same

CHUSEIKWAI

Platform or Main Policy

Same

Can any one imagine four different almonds? The stranger, who witnessed the scenes in Tokyo, would have wondered what the trouble was about, and would have certainly been flabbergasted if told that four political parties were quarrelling violently as to how to carry out the same programme. There was and there remains among Japanese politicians an extraordinary unanimity as to principles, and a violent antipathy as to methods. It is quite surprising that there has not been, and apparently there is no room for, an aristocratic party, nor for a more democratic party with an extension of the franchise as its appeal to the voter. All platforms are vaguely idealistic. No political leader, except Inukai Ki, has displayed any ability to come to grips with his

subject, and Inukai is still in the political backwoods. Pious aspiration, office and bribes form the beginning and end of Japanese politics, as at present conducted.

Katsura's only real bid for popularity was a wild promise to reduce expenditure by Y86,000,000 a year, and if anything were needed to seal his fate that did it. Baron Saito had refused to remain in office, but had been maintained there by an Imperial Edict. As he could not quit office, other means were necessary. Satsuma, who would have let Katsura remain for a time in return for an adequate naval appropriation, revolted. Count Yamamoto took charge of the proceedings, installing himself in Saito's official residence. He made a working agreement with the Seiyukwai, and when the Diet met all parties except the Rikken Doshikai united against Katsura. The House was thrice adjourned. An Imperial Edict was issued to Saionji to bring the Seiyukwai to heel, an edict which Saionji accepted with the reply that it was a matter for the Seiyukwai themselves to decide. On February 13, 1913, Yamamoto sent Katsura a message advising him to resign, as otherwise there would be bloodshed. The gathering of the Diet resulted in such demonstrations as convinced Katsura that his race was run, the more so as the Genro under Yamagata's lead advised the Emperor not to dissolve the Diet. Blockaded with the other Ministers in his official residence, he intimated by telephone his intention to resign, whilst the mob tore up the police boxes, smashed the houses of his supporters, and fired his newspaper offices. The next day the Cabinet formally retired.

Further Genro meetings ensued, and Count Yamamoto was called on to form a cabinet. The Seiyukwai then pressed their advantage, and stipulated that if he wanted their support, the members of the Ministry must either be members of the party or join the party. To this the Premier had to agree. Though the Yamamoto Ministry is often referred to as a

Seiyukwai Cabinet, it was not. It was a Satsuma-Seiyukwai affair.¹

Yamamoto Gombei was born at Kagoshima in 1852, and his career may be said to have been synonymous with the development of Japan's navy. As a retainer of the Prince of Satsuma, he fought on the Imperial side in the Civil War. He was among the first group of students when the Naval Academy was founded, and after passing out visited America on a training vessel, and later went to Germany, and on board a German warship circled the globe. He brought out the *Naniwa*, Togo's flagship in the China War, from England in 1885, and two years later went back to that country on the Naval Mission headed by Admiral Kabayama. In 1890 he rose to post rank, and a couple of years later was transferred to the Administrative side of the Department, passing in quick succession from Secretary to the Minister to be Director of Bureau, and then Vice-Minister. Six years after entering the department he was Minister, a post which he filled with the utmost distinction from 1898 to 1906, a period which covered the arduous preparations for and the conduct of the war with Russia. Short and thick-set, with a two-finger beard, the Count in appearance strikingly resembles the accepted portrait of the British naval officer of the beginning of the century. He walks with a roll, and he walks every day for exercise. He speaks English fluently, and is conversant with German. He is probably more a man of

¹ Premier	Admiral Count Yamamoto
Minister for Home Affairs	Mr. T. Hara (Seiyukwai)
„ Foreign Affairs.....	Baron Makino
„ Finance	Baron Takahashi
„ War	General Kigoshi and later General Kusunose
„ Navy	Baron Saito
„ Justice.....	Mr. M. Matsuda (Seiyukwai)
„ Agriculture and Commerce	Mr. T. Yamamoto
„ Education	Dr. Okuda
„ Communications ...	Mr. Motoda (Seiyukwai)

the world than most of his contemporaries, and knows more than any of them how to be silent. It has been said that a grunt is his affirmative, and a grunt is his negative. It may be so, but certain it is that he is no lover of words. He himself has related that when in America in 1907 he had a conversation on the Californian question with President Roosevelt, whereat the President spoke for two hours and the Count for thirteen minutes. His replies in the Diet to interpellations were models of brevity, and often of diplomatic vagueness.

The expulsion of the Katsura Cabinet in 1913 was entirely due to him, and there can be no doubt that he planned it immediately on the outbreak of the Uehara *coup*. The manner in which he carried it out was in strict accordance with naval strategy. Everything had been carefully prepared, and Satsuma marked time until the moment came to strike, when the Count struck hard. As a *tour de force*, and as a one-man effort, his action may be aptly compared with Lord Fisher's demolition of the Asquith Cabinet in 1915. Whilst all the credit of the popular eruption has been showered on Ozaki, Inukai, and the Seiyukwai demagogues, few have realized that without Yamamoto in the background to pull the strings, the whole movement must have ended in fiasco. It was the silent man, sitting in the Naval Minister's residence, where he stayed for ten long days, only going out twice to answer an Imperial mandate, who inspired and manipulated the 'Constitutional' outbreak. Love of democracy had no share in his motives, which were directed solely to advancing the interests of Satsuma, to which clan the Count is bound by birth, profession, and marriage ties.

Of the various members of the Cabinet Hara, Makino, Saito, Matsuda, and T. Yamamoto had previously held office under Marquis Saionji. Dr. Okuda was a distinguished lawyer who had held Vice-Ministerships under the bureaucrats in 1898 and 1899, and subsequently been Commissioner of the Imperial Family Bureau. Motoda had been a member of the House since its founda-

tion. At first one of the official group, he joined the Seiyukwai at its formation, and had been Vice-President of the Lower House. His appointment was a reward of years of hard and unrequited service to the party. General Kigoshi remained for a couple of months, but then retired to make room for General Kusunose, a clansman of Kaga, but a protégé of Choshu, who had filled various responsible commands in the army, but was best known as the commander of the Japanese troops, who murdered the Queen of Korea in 1898. For this offence he was put on trial at Hiroshima, but acquitted for lack of evidence.

The Yamamoto Ministry was certainly not worse, and was considerably better than some of its predecessors. Unable to form a Budget of its own for lack of time, it took over, with a few alterations, that drafted by the second Saionji Cabinet. It carried on the business of the country in a satisfactory manner, though the even tenor of its way was broken by the sudden acuteness of the American and Chinese questions. The opposition with the ingenuity of hate used both these matters to embarrass the government, and very nearly succeeded in bringing about a war. A praiseworthy item of its administration was the restoration of the Educational appropriation to the figure at which it stood before the war, in spite of some substantial reductions in the Budget for the fiscal year 1914-15.¹

The Yamamoto Cabinet did not last long, though its fall, due to the Naval Scandal of 1914, occurred sooner than might otherwise have been expected. How far the country was shocked by the revelations of graft in the navy is uncertain. The assumption of virtue by politicians and bureaucrats was certainly calculated to deceive the casual investigator. But the indignant cries of Choshu and the Rikken Doshikai can hardly have taken in those who had followed the course of events in Japan during the last twenty years. Bribery and corruption are standing dishes in the Japanese political

¹ For further details of financial policy, see Chapters IV and V.

and administrative bill of fare, and if the surprise so skilfully delineated was real, it was more probably at the size of the commissions taken rather than at the discovery of their existence. The spread of the scandals to important religious institutions and to the Imperial Household was sufficient proof that the navy were not the only black sheep, and there was a good deal of more than suspicion that all was not well in other of the big spending departments. The irony of the situation was that the Cabinet should be pulled down because of bribery by a party which had been created by bribery.

In its essentials the outcry against the Cabinet, which resulted from the disclosure of the Richter papers in a German court of law, were merely further rounds in the fight for clan control. (The restoration of 1868 owed its success to the support of the Satsuma and Choshu clans, who, as soon as they had acquired a predominant position in the State, entrenched themselves by assuming control the one of the Navy, the other of the Army, and in converting these into preserves for the clansmen. For long they reigned together in sweet unity, undisturbed until, in 1907, the Navy got a bigger slice of the estimates than the Army. In 1908 Choshu got the upper hand. In 1911, when Saionji came back into office, Satsuma were striving, and with some success, to regain the predominance. In 1912 the appointment of Katsura threatened the Satsuma position, and after marking time for a couple of months Satsuma, plus the mob, turned Katsura out and practically routed the hosts of Choshu. The latter in their turn marked time until the revelation of the Naval Scandals gave them their opportunity, and in 1914 they came back to power under the guise of a constitutional party. The struggle is not yet ended. The *Satsu-batsu* and the *Cho-batsu* will continue the feud for many a long year, although in all probability the latter will be disguised as the Rikken Doshikai party, and the former will be allied with some political organization, either the Seiyukwai or its successor, for

the Seiyukwai, being defeated and disgraced, in all likelihood will, *more Japonico*, change its name. Though names may change, the conditions remain. Yamagata is still Pope in Choshu, even though Choshu has espoused constitutionalism, just as Matsukata is in Satsuma and Yamamoto his Vicegerent. They are all 'true men of T'se,' to whom none are so good as their own clansmen.

A couple of weeks of Genro meetings and two abortive attempts at Cabinet building by Viscount Kiyoura and Hirata (both Yamagata men) resulted in Count Okuma being invited from the wilderness. A Cabinet was formed by Japan's G.O.M., of which the principal personalities are Baron Kato and Mr. Ozaki, the remaining members being adherents of the late Prince Katsura and of the Rikken Doshikai.

Okuma Shigenobu was born in 1838 in Hizen Province. When the Restoration movement broke out he was entering the prime of life. A prominent member of one of the four Western clans which broke down the Shogunate and established their own oligarchy in place thereof, he was rewarded for its services with the headship of the department which in the first form of government corresponded to the Ministry of Home Affairs. After the split in the Sat-cho-hi-to combination he attained the leadership of the Government, but being found out coquetting with the democrats to advance Hizen interests he was turned out by Ito. He then took up constitutionalism in earnest and formed the Kensei Honto in 1881, remaining its head until 1907. He was in office for various short periods, and from June to November 1898 Premier of a Coalition Cabinet. Expelled from the Privy Council on account of his political views, he has been boycotted by the clans and the parties, by the former for his refusal to abjure party politics, by the latter for refusing to abjure his principles.

Seventy-seven is not a great age, according to Count Okuma, the more especially as he is determined to see out the century. In order that he should not be alone when he arrives at that age, he formed in 1912 a club,

called the "Want to be a Hundred Club." Candidates were limited to men of seventy-five years of age, who pledged themselves to live to be a hundred.

Nobody knows what to make of the veteran Count. Seventeen years ago he was Premier for five months, just long enough, as the Japanese said, to prove that he was no statesman. Last year he again became Premier and the most popular man in Japan. He founded the Japanese Peace Society, but in 1912 declared himself a militarist, as militarism is good for the country. For years he criticized the expansion of armaments, but last year dissolved the Diet for rejecting a large increase in the Army vote.

Out of office he declared 'the national finances will not stand naval expansion, military expansion, nor tax reduction.' Before he was a month in office he promised an expansion of the fleet by three battleships, an expansion of the army by two divisions, and a reduction of taxes by ¥23,000,000.

It is perhaps these charming inconsistencies which make Count Okuma the most popular idol the Japanese people have ever had. Nobody knows and nobody can possibly guess what view he will take on a subject, or how long he will espouse the views he has adopted. In his youth he was a clansman, and after the Restoration a bureaucrat. He despised Fukuzawa and Itagaki, the leaders of the constitutional movement, as "vulgar demagogues." But he became himself a constitutionalist, and formed a coalition cabinet with Itagaki, and has for years been the most outspoken of all Japanese in his hatred of the bureaucracy. Now back in office, he declares 'beneficent bureaucracy is a good form of government,' and certainly no one living in Japan to-day would imagine that the Premier was Okuma the Democrat.

Okuma accepts every promissory note offered him. At his first meeting with the Provincial Governors he agreed to literally every proposal made, whether it was a new railway, an increase of salary, or an extra allowance for *jude*.

He is indiscreet to a degree. A few years ago he said that '300,000,000 natives in India are waiting to be freed from the thralldom of Great Britain,' and it took a long explanation to show that he had not meant what the words meant.

Okuma has long had his eye on China, and has twice proposed an Anglo-Japanese Economic Alliance, England to provide the money and Japan the brains for the exploitation of China, and he was much disgusted at the cool reception the proposal met with in England.

When the first revolution broke out in 1910 he said Japan must help, not hinder China. Last year (1914) he said Japan could not help China, she had no equipment beyond an army and a navy. Further, he said that his opinion was that China was beyond regeneration.

In 1912, addressing the Peace Society, he declared himself a militarist, militarism was necessary to the country, and cynically pointed out that 'war is nearest when protestations of peace are loudest.' 'International peace conferences,' he said, 'are the forerunners of calamitous wars.'

Okuma's popularity depends upon two things, the first his university, secondly his influence with the press. He founded Waseda University, which, though a private concern and boycotted by the Imperial Educational authorities, is the best educational establishment in Japan, and is turning out in large numbers a type of student who is a credit to the country.

It is the Press which has done most to put the Count on a pedestal. Himself a journalist, he owns the *Hochi*, a virulent rag with an enormous circulation, and the *Shin-Nihon*, a monthly review of the standard of the *Fortnightly*. He is always glad to see journalists, and talk to journalists. He holds a daily reception for them. When he was Premier he arranged reception rooms for them in his official residence, and fitted up telephone boxes, and provided free lunches. He will talk to them by the hour on anything or nothing. His loquacity is proverbial. He has been nicknamed *Saburo*

(the talkative) on account of his loquacity, and 'the great promiser,' because of the bright hopes he raised—when in opposition. A foreign diplomat described him as a 'windy old gasbag'; a leader of the Seiyukwai as a 'genial old buffoon.' Okuma does not mind, he talks and talks, whether he knows anything of the subject under discussion or not. He makes more speeches a year than any other man eats breakfasts. He is the most indiscreet speaker in Japan. He is no respecter of persons, except of the Imperial family.

On one occasion at a Press banquet, where the late Prince Ito was a guest, he got up and assailed the latter roundly. When he had finished he sat down, and turning to Ito, he said: "Your character is finished." Ito got up and improved on his example; then he turned to Okuma and said: "So is yours," whereafter, laughing heartily, the two veterans went off into the next room to play *go*.

It is often said in Japan that Okuma cannot be taken seriously. When he made his first speech before the Diet last year, he began, "Though the earth is yet fresh on the grave of the late Emperor," and before he got any further laughter broke over the House. The idea of Okuma talking seriously was irresistibly funny. Nevertheless there is a lot of sound common sense in his utterances. He is certainly saturated with insular self-satisfaction, but he is also aware of the advantages to Japan of grasping enlightened Western principles, and he knows full well that only the show part of these have been so far adopted.

He hates writing. He dictates his articles for the press, and never prepares a speech. He has only written his own name twice, once on a report to the Throne, and once on an abstract of evidence given in a lawsuit. Japanese visitors adapt all sorts of tricks to get a specimen of his writing. Once a visitor took his little son to visit him, and in the course of conversation the child, producing a pen and paper, asked Okuma to write a character he had used in speaking. Okuma was nearly

caught. Just as he was putting pen to paper he recognized the trap, dropped the pen, and taking a stick from the *hibachi* (charcoal brazier), traced the characters in the ashes. It is not surprising to learn that he was bottom of his class in penmanship when at school, hates the ideographs, and has long supported the plans to introduce Roman characters.

How does he live, this Pacifist-Militarist, this Demagogic-Bureaucrat, who makes a stump speech of two hours' duration as easily as his compeers drink a cup of *saké*? "Rise early, exercise early, feed well, work hard and go to bed early and you will live to be a hundred!" That is the Count's advice, and he practises it. He gets up at five every morning. With the aid of his stick (his right leg was blown off by a bomb thrown by a would-be assassin in 1889), he walks for an hour. Then he reads the morning papers. At 7 a.m. he breakfasts: he always eats Japanese food, and never drinks alcohol. After breakfast he receives journalists, granting on an average ten interviews a day for publication purposes. From ten o'clock he receives officials and other visitors, talking, as a Japanese put it, 'without bridle on his mouth, foaming with his own eloquence.' After lunch he takes a drive, attends meetings, goes slumming or Cabinet making or breaking as his mood may be. At 4.30 p.m. he goes home, takes his bath and dines. In the evening he reads, dictates, and talks. 'Conversation is my hobby,' he once said. Commenting on this, the late Prince Ito is reported to have said: "Conversation implies two persons talking together. But when Okuma is one of them, the other has to listen only."

In his house in Tokyo the Count maintains the state of an ancient *daimyo*, and is called by his fifty retainers and the neighbours *Gozen*, a feudal title meaning 'Lord.'

His wife is the Countess Ayako, who is now sixty-five years of age. She is the antithesis of her lord and master, for she is as silent as he is verbose, as mild as he is assertive, and as stop-at-home as he is restless.

* He was created Marquis in 1916.

For all the fun that is quietly poked at him, the present Premier is easily the most popular man in Tokyo to-day. In spite of his political inconsistency he has done more than any man to purify public life in Japan and to improve the lot of the common people. It is a tribute to his high character and to the innate honesty of his mind that it was his sworn enemies, the aristocrats and clansmen, who, after keeping him in the wilderness for nigh twenty years, put him into office again last year.

The principal work of the Okuma Cabinet has been, exclusive of the war, the smashing of the Seiyukwai, an operation in which the Cabinet has been heartily supported by Yamagata, whose *bête noire* the defeated party has been since 1901. For the first time Japan has a Cabinet supported by its own majority in the House, the Chuseikai having amalgamated with the Rikken Doshikai. Whether representative government in the British sense of the word will follow is doubtful. The *personnel* of the cabinet is distinctly bureaucratic, by past form.¹

It is to be wondered if any ministry can successfully introduce Western ideas of representative government without a drastic amendment of the Constitution. So long as the clans by their control of the Ministries of War and the Navy can break a cabinet, so long is the final appeal to them. These two posts must be made available either to civilians or to retired officers.

The control of the Diet over finance must be made effective, and the use of Imperial Ordinances, of which

* Premier	Count Okuma
Foreign Affairs	Baron Kato
Home Affairs	Viscount Oura
Finance	Mr. Wakatsuki
War	General Kusunose
Navy	Admiral Yashiro
Justice	Mr. Ozaki
Education	Mr. Ishiki
Agriculture and Commerce...	Mr. Oishi
Communications	Mr. Nakashoji

even the present Cabinet has shown a fondness, must be invalidated.

Ministers must be made responsible to the Diet for the advice which they give to the Throne.

Beyond everything the political education of the people must be developed on a much wider basis, to the end that the political value of the ballot may be properly realized and that the administration may be for the true benefit of the people and not for the exclusive benefit of the officials. The whole tone of political life must be altered, and members understand that the letters M.P. mean more than social prestige, invitations to Imperial parties, and covert avenues to wealth. The Diet must become more than a talking-shop and a bargain-counter. The Genro and the clans have created a defence work of class interests, and though their position is extra-constitutional, and though the Constitution has no room for them, yet they got themselves recognized by the late Emperor and the present Emperor. Count Okuma has uttered brave words :—

“It was true,” he said, “that the Meiji Tenno had recognized the Genro by Imperial Edict, but even the Meiji Tenno could not override the Constitution by creating a body not provided for in the Constitution. He had formed his Cabinet at His Majesty’s order and not at the order of the Genro. So long as he was Premier the Genro would not be allowed to interfere.” Baron Kato has described the Genro as ‘past history.’ Will they be able to keep them in the past, or will the Elder Statesmen again assert themselves in the future? From Baron Kato’s speech in the Diet (May, 1915) on the Sino-Japanese negotiations it is plain that the Genro influence was very much alive.

[As stated above, the Okuma Cabinet came into office in succession to that of Count Yamagata, which fell as the result of the Naval Bribery case, and after strenuous but futile efforts had been made to persuade Count Terauchi or Viscount Kiyoura or other of the

Yamagata henchmen to accept office. From the first it faced a minority in the Diet which the Seiyukwai controlled, and from whom nothing but obstruction was to be expected owing to the inclusion in it of Baron Kato and other representatives of the Rikken Doshikai, the party formed by the late Prince Katsura in 1913. In all probability, however, the Seiyukwai would not have proceeded to extremes but for the introduction of the Two Divisions Bill, the measure which had been refused by Marquis Saionji and Mr. Yamamoto Tatsuo in 1912 and caused the boycott of the War Ministry by the Choshu clan and the consequent fall of the Saionji Cabinet. Count Okuma in accepting office had accepted the principle of the Bill with it, understanding plainly that if he were appointed he was to swallow the Bill and introduce an appropriation for implementing the same in 1915, as the Budget for 1914 did not permit of such expenditure. After a consultation with Baron Kato it was decided that office and the opportunity of smashing the Seiyukwai was worth the two divisions, the more so as acceptance of office would be a distinct step towards true representative government, the principles of which both statesmen had very much at heart. Acceptance of the Bill by the new Cabinet meant, however, a retraction of previous opposition to it by many of the members of the new Ministry, a *volte face* of which Seiyukwai hecklers took full advantage. On the other hand, it may be pointed out that the arguments previously used against the Bill were based largely on financial grounds, and when the Bill was finally introduced such arguments were no longer valid, provided, of course, that the military reasons for the increase in the Army justified the expenditure. The Seiyukwai objected to the Bill not because they objected to the expenditure but because they were getting nothing out of it, and the Ministry was not prepared to buy the adherence of the whole party, as had hitherto been the usual procedure. From the very introduction of the measure in the Diet it

was clear that the Lower House would reject it, and the choice lay before the Premier of dissolving or of awaiting defeat. Viscount Oura, educated politically in the school of gold pills,' which the Elder Statesmen had conducted in the earlier days of the Constitution, authorized an attempt to convert a section of the Seiyukwai by what were euphemistically termed 'presents' and 'loans.' The leader of the Seiyukwai dissentients, Itakura Chu, wanted Y300,000 to form a new party, the Kosei Kanyumi, which would vote in favour of the Two Divisions Bill. The Viscount, greatly erring, only provided some Y40,000-50,000, which was paid out through Mr. Hayashida Kametaro, Chief Secretary of the House of Representatives. A number of representatives were accordingly bribed, but as the funds were not sufficient to go round handsomely enough some of these 'ratted' on the eventful day, the Bill was defeated, and the Diet dissolved. A new General Election took place, and owing to a quite unexpected mishap the whole affair came to light. The fact of bribery of members of Parliament created comparatively little stir, even though the Minister of Justice was Mr. Ozaki. Probably the memories of some members of the Cabinet took them back to the 'golden days' before they were Ministers of State, whilst Mr. Shimada Saburo, the Speaker of the House, must have recalled the happy arrangements (Mr MacClaren puts his price at Y15,000) made when he deserted the Kokuminto for Prince Katsura's Doshikai. What was really annoying was the prospective shadow which threatened the Coronation ceremonies, preparations for which were then in full swing. The election incident directly involved Viscount Oura in obtaining the withdrawal of a rival candidate in favour of a Kosei candidate, Mr. Shirakawa Tomoichi, and the payment of Y10,000 by the latter to the Viscount for party funds. There was nothing illegal in this, but a Seiyukwai member who had not shared in the Two Divisions bounty and had lost his seat, as had most of his party, at the election

filed an impeachment of the Viscount at the Ministry of Justice. This, unlike the hints thrown from political rostrums, could not be ignored, and Mr. Ozaki was forced to intervene. Viscount Oura promptly resigned and became *inkyō*. The Shirakawa election incident was probed, the ¥10,000 was found to be in fact money repaid by Shirakawa from the funds provided by Hayashida to bribe members, and Hayashida and a number of members and ex-members were put on trial. A *cause célèbre* developed in which the sympathies of press and people appeared to be in favour of the accused. Oura as a Minister of State was not arrested or tried, the usual formula that he had purged his offence by resignation being accepted. In the end Hayashida was fined ¥150 and thirteen members were sentenced each to a few months' imprisonment, with the benefit of suspension of sentence, thus once again demonstrating that bribery is no offence in Japan. The whole case was particularly interesting because of the connection of Oura with Yamagata and Okuma, with the former as clan chief and political henchman and with the latter as a member of the Cabinet. The case against Oura is very simple and very fragile, and it is practically certain that no Japanese court would even have dared to condemn him. Though nominally a party politician, he was Vice-President of the Doshikai, he was actually in the Cabinet to represent Yamagata, whose principal aims in life at that time were to smash the Seiyukwai and pass the Two Divisions Bill. There can be little, if any, doubt that in advancing funds for the conversion of Seiyukwai members he was acting with the knowledge and tacit approval of Yamagata, whose methods, indeed, were his inspiring example. To what extent was Okuma privy to the facts? The general supposition was that Oura was put into office for this very purpose; he was promoted Home Minister after the dissolution, and, as was shrewdly stated at the time, with instructions to 'manage' the elections, and when he resigned very sincere sympathy was expressed with

him by both the Premier and Baron Kato. It is at least a justifiable surmise that the Cabinet, being determined to uproot the Seiyukwai evil influence, stooped to fight them with its own weapons, and, though successful, was itself hamstrung in the effort. How far Prince Yamagata double-crossed the Cabinet is unknown, but it is shrewdly observed that by the Oura affair Yamagata not only outed the Seiyukwai but at the same time purged the government of the leaders of the Doshikai. The Premier, *more Japonico*, tendered his own resignation and that of all the Ministers to atone for the offence of his subordinate, but after a meeting of the Genro Count Okuma was restored to office with a reconstructed Cabinet, from which Baron Kato, Mr. Wakatsuki, and the principal leaders of the Doshikai were absent. So once again existed a Ministry, nearly independent of party, but it was clearly understood and officially stated that the Premier would resign at a convenient time after the Coronation and when certain important affairs had been adjusted. In all likelihood the plea that Okuma was kept in office so as not to depress the sanctity of the Coronation year was merely eye-wash, for the year of the death of the Meiji Tenno had not been a sufficient reason for Yamagata to postpone the Uehara boycott, with its disastrous consequences to the nation. Besides Okuma himself was unable to take part in the supreme Coronation ceremony because, being a cripple, he was unclean. Yamagata wanted Okuma in office because the latter was the only statesman capable of passing the Army Expansion Bill through the Diet without serious opposition. Although he had forced most of the Doshikai leaders out of the Cabinet he could not instal a purely clan Ministry, which could rely on sufficient parliamentary support to pass contentious measures. Okuma, if kept in office, could manage the Doshikai, and the Doshikai, though out of office, were willing to support the Premier provided a reversion to office were given them on his resignation. Accordingly it was announced by Reuter

that when Marquis Okuma should eventually resign Baron Kato would succeed him as the head of a Doshikai Administration, and the wiseacres all agreed that the era of true representative government was about to begin in Japan. The hand of Odawara had, however, by no means lost its cunning, and when Marquis Okuma, pleading fatigue, laid down the seals of office, it was not to a party leader that the call was sent but to the most stalwart of all the sons of Choshu, General Count Terauchi, the ex-Governor-General of Korea.

Terauchi Masakata was born in 1852 in Choshu, and in his nineteenth year became a sub-lieutenant in the army. Fighting on the Imperial side in the Civil War the ligaments of the right arm were severed, and he has passed through life since with this limb completely useless, a hindrance which has, however, had no effect soever on his advancement or utility. In 1882 he was sent to France to study, and returned from that country with a considerable fund of logic and a more than usual development of the bump of organization. He demonstrated this with no little success as Chief Transport Officer during the China War. It has been said of Terauchi that he is all brain, and it is true to a very large extent. Owing to physical disability debarred from many of the usual pleasures of his equals, he makes up for it by a greater devotion to work. As Vice-Chief of the General Staff under Katsura he soon drew the latter's attention to his merits, and when Katsura became Prime Minister Terauchi became his Minister of War. This post he held until 1911. It is not too much to say that the triumvirate of Katsura, Terauchi, and Ishimoto (the Vice-Minister) ran Japan during that period. They were in many ways a remarkable trio, and not the least so in their capacity for work. Great workers as Katsura and Terauchi were, Ishimoto was an even greater, and the late Sir Claude MacDonald, for so many years the distinguished British representative at the Japanese Court, at the time of the death of the Vice-Minister laughingly asserted that he had never heard

even a rumour of Ishimoto getting any sleep during the war.

Terauchi was largely responsible for the strategy of the Russo-Japanese War, both from having been Vice-Chief of the General Staff under Kodama when the plan of campaign was evolved in the years immediately preceding the outbreak and as head of the Staff College after the conclusion of the Chinese War. An American journalist has said that 'organization' is Terauchi's second name, and it is by no means a silly remark. To him to a great extent is due the system of constant drill, preparation, and prevision which is characteristic of Japanese official action, whether in war or peace. He is a terrible stickler for order, for having the right thing in the right place at the right moment, and thence came his excellence as a transport officer and as a Minister of War in war-time. The same qualities are observable in his administration of Korea, of which he was Governor-General from 1911 to 1915. Though his *régime* was blotched by various scandals, as the so-called 'Conspiracy Case' and the constant rapacity of the Oriental Colonization Company, it has been of enormous benefit to the country, and restored it from a condition of indigency, revolution, and poverty to one of prosperity, order, and progress, and affords a striking contrast to the miserable conditions which obtain in the much older dependency of Formosa, a colony which is the world's outstanding example of how not to govern.

As a clansman of Choshu and a close adherent of Prince Yamagata it is almost needless to say that Terauchi is a bureaucrat, and the *personnel* of his Ministry leaves no doubt that the new Cabinet is a reversion to the Cabinets of Katsura days. It includes only adherents of feudalism—or as it is termed nowadays, Imperialism. From the names of the Ministers it would appear that militarism is now again on the ramp. Mr. W. E. Griffis, than whom there is no more able commentator on things Japanese, sees in the new appointments another bid for further national expansion, with

the brake on the more ardent spirits removed by the gradual disappearance of the Genro. My own opinion, for what it is worth, is that the new Premier will prove of much greater assistance to the Allies than ever Count Okuma was. Count Terauchi is extremely pro-French in sentiment, and has no pro-German sympathies whatsoever. His patron, Prince Yamagata, is of the same frame of mind. It is quite certain that so long as he is at the helm there will be no more talk of Japan being a 'semi-neutral.' It may be that the Terauchi Ministry will not be able to outlive a session of the Diet, but the new premier is strong and able, and schooled in the manipulative politics of Yamagata and Katsura, so that he may by a 'positive' foreign policy—that cry dear to press and people—be able to ride the restive Diet successfully. Equally likely, however, is it that his tenure of office is intended only to be temporary, previous to retiring from public life to step into the shoes of Yamagata as the representative of Choshu in the inner councils of the palace. The aged Prince cannot long avoid paying the debt to Nature, but it is quite certain that he will not do so until he has nominated a successor under the veranda. By first the defection and then the death of Katsura Terauchi is obviously that successor, by reason of birth, of marriage ties, sentiment, and career.]

CHAPTER FOUR

FINANCE, INDUSTRY, AND COMMERCE

PART I

THE conduct of the *post-bellum* finance is the true cause of the parlous condition of Japanese finances at the present time. Instead of the end of the war marking the commencement of a golden era, as the nation had been taught to believe it would, an era during which Japan aided by an enormous indemnity would develop her manufactures and trade and economize on her administrative expenses, the signature of peace brought not a *sou* of indemnity and marked the beginning of a crisis the acuteness of which has hardly yet (in official circles at least) been truly recognized and the end of which is still afar off.

Fed by the authorities with extravagant ideas of the victory that had been won over Russia, the people naturally developed similar ideas of the prosperity which must attend such a victory. Money was cheap owing to the influx of the war loans raised abroad, the company promoter was active and the investor was unusually trusting. The boom went to mad heights, and the awakening was the usual one after a bout of wild dissipation. To make matters worse the Government by the nationalization of the railways had removed from the reach of the investor the only good security on a large scale which the country possessed.

"If the tiger or the rhinoceros escapes from its cage, if the gem be injured in its casket, whose is the fault?"

There were of course innumerable scoundrels who made fortunes out of the people at that time, and many of the leading banks and commercial concerns were not above lending their name and protection to the most rotten schemes known since the South Sea Bubble. But the real blame must be laid on the shoulders of the late Prince Katsura and the Genro. Although the Saionji Cabinet was in office in 1906 and 1907 it was on such terms that Katsura controlled its policy and, according to Count Hayashi, even drew up its Budget. It was Katsura who was responsible for the enormous inflation of the national conceit after the war, as also for the enormous inflation of debts and expenditure.

The position was absurd. Russia, though defeated in battle, had fought Japan to a standstill. That country could not put another man or gun in the field and was holding a line three hundred miles in length. Her financial resources were finished and she could not raise more money anywhere—for war purposes. She made peace. She had to! By it she gained the South Manchurian Railway, the Kwantung Peninsula, the southern half of Saghalien, and £4,860,186 refunded, being the cost of the maintenance of the Russian prisoners of war. In addition she obtained the privilege of carrying on her own shoulders ¥1,372,115,570 of funded debt, raised to wage the war with. Any sane Cabinet faced with such a condition of affairs would have realized that they were up against a serious proposition and would have decided to go slow, anyhow for a while. In Japan such a reasonable step as pulling in a bit would not do. It might have been construed as a loss of 'face.'

The national finances are a matter of which the leaders of the Army and the Navy know absolutely nothing and care less. The clans were on the top of the wave, created certainly by their own prowess, and intended to use their position to obtain every advantage. They accordingly indented on the Ministry for far larger

appropriations than ever before. The Budget of 1907-8, the first after the collapse of the boom, came therefore as a shock to the world. The promises held out in the previous year of a reduction of taxation and a redemption of debt were entirely shelved, and instead a total increase of expenditure amounting to Y138,000,000 was shown, necessitating a considerable increase in taxation.

The Army and Navy were responsible for an augmentation of Y109,000,000,¹ whilst the Finance Department absorbed Y37,000,000 more than in the previous year, and Communications Y22,000,000 more.

It was with the demands of the Army and Navy in 1907 that the present financial crisis began, and it has been continued by the necessity of completing the programmes then approved and by the addition of other programmes of not less magnitude. With the popular idea of a victorious war to support them one cannot cavil at some reasonable expansion of the Army and Navy, but the demands made since 1906 have been quite abnormal and out of keeping with the requirements and resources of the country.

The Budget of 1907 and all succeeding Budgets have only been able to be balanced by the introduction into the revenue account of surpluses from preceding years, by loans, and by cross-transfers from various accounts.

The surplus is the most elusive item in the whole of the Japanese accounts, which, to quote the *Jiji Shimpō*, must have been devised for the sole purpose of defeating investigation. What is a surplus? is as difficult to decide as Pontius Pilate's What is truth? One thing which is quite certain is that it is not what it is supposed to be. In ordinary parlance a surplus should be the excess of revenue over expenditure. According to the Japanese system, however, it is the amount from an invisible reserve which is used to balance the excess of expenditure over revenue. It may be a legitimate surplus

¹ Including Y29,000,000 rewards and pensions, which were issued in bonds though figuring in the Budget as cash.

or it may consist of the residues of loans, or even of new loans or of the unexpended departmental balances, or merely of book entries.

If we examine Table 2 of *The Financial Annual of the Department of Finance* for 1914 surplus would appear to have its normal significance, but if we examine Table 3 in the same the figures are in many cases quite different.

	TABLE 2.	TABLE 3.
	Surplus of Revenue over Expenditure.	Surplus of Preceding Year transferred.
1904-5	50,411,254	
1905-6	114,515,187	50,411,254
1906-7	66,172,224	57,160,585
1907-8	254,682,858	65,975,497
1908-9	158,576,167	254,682,858
1909-10	144,652,643	158,576,167
1910-11	103,719,750	144,652,643
1911-12	71,817,608	101,247,795
1912-13	93,796,039	71,817,608
1913-14 ¹	—	61,622,975
1914-15 ¹	94,522,575	76,913,514

In 1907 the surplus of ¥254,682,858 was represented by over ¥200,000,000 drawn from balances of the war loans subscribed in Europe plus ¥48,600,000 received from Russia on account of the maintenance of the prisoners of war. In some other years, as already suggested, surplus has at least been helped by revenue exceeding estimates. (Japanese financial estimates are notoriously faulty.)

To what extent the unexpended balances from departmental votes is included in the surplus is doubtful, though I believe that it is now the practice to insist on such balances being refunded to the Central Treasury for inclusion in the general surplus. Until 1912 it was not the invariable practice, and with the War and Navy

¹ The figures for 1913-15 are Budget estimates; those for 1904-13 represent the settled accounts.

Departments it was never the practice. According to a statement made in the Diet in 1913 the unexpended balances in 1912 amounted to Y80,000,000. The Board of Audit has on various occasions drawn attention, though perfunctorily, to the practice of departments skinning the Treasury of unexpended sums. I suppose the clans regard the *Okura-sho* as fair game, in much the same way as income-tax payers do the assessor. Anyhow, they always put in a sufficiently large estimate to allow for liberal discounting, and stick to any unconsidered trifles on which they can lay their hands. Cases have not been unknown where votes have been put in three years in succession, duly allowed, and the money never expended. Whilst this is not a particularly honest course, it is not graft as it is understood abroad. The money does not go into anybody's pocket. It is carefully reserved, and forms a sort of emergency fund for the department. It was out of such a fund that the Navy Department advanced Y1,000,000 in July, 1913, to one of the dockyard firms which found itself in difficulties. It is out of a similar fund that the War Office finances its China propaganda.¹

The principal difficulty with which any Minister of Finance in Japan is faced is the curtailment of the demands of the Army and Navy to an amount which would be proportionate to the national resources. That is the backbone of the whole trouble, and if once it could be accomplished it would be possible to remit taxation and to start on a real redemption of the National Debt.

¹ What a surplus is or is not may be gathered from the note attached to the 1912-13 Budget, as follows:—

"The surplus carried forward from the fiscal year 1910-11 to the present fiscal year 1911-12 was Y101,247,795. Deducting from this a sum of Y48,000,000 as revenue to meet expenditure carried forward, a balance is left of Y53,247,795. Of this a sum of about Y31,000,000 is reserved for the Supplementary Budget and other indispensable expenditures, a balance of Y21,700,000 being left. Of this last Y18,007,717 is drawn for the present estimates to balance expenditure, leaving a sum of about Y3,700,000 for supplementary purposes."

The normal expenditure of the country has risen from Y249,596,131 in 1903-4, the year before the Russian War, to Y559,759,598 for the year 1914-15.

Ordinary Expenditure :—

	1903-4 Yen	1914-15 Yen
Imperial Household.....	3,000,000	4,500,000
Foreign Affairs	2,718,644	3,970,901
Home Affairs	10,884,797	11,645,136
Finance	52,945,142	188,463,862
Army	39,355,388	75,542,228
Navy.....	21,530,237	40,887,512
Justice	10,741,731	11,704,430
Education	5,073,574	9,334,614
Agriculture and Commerce	2,922,711	6,089,046
Communications	20,589,690	61,644,342
	<hr/> 169,761,914	<hr/> 414,682,071

Extraordinary Expenditure :—

Foreign Affairs	1,598,177	2,633,500
Home Affairs	16,056,147	42,843,634
Finance	4,976,136	13,827,100
Army	7,529,174	10,598,601
Navy.....	14,587,620	50,784,111
Justice	599,460	469,015
Education	1,673,900	1,932,971
Agriculture and Commerce	6,845,464	7,318,770
Communications	25,968,138	15,569,825
	<hr/> 79,834,217	<hr/> 145,077,527
Total Expenditure ...	Y249,596,131	Y559,759,598

From these figures it will be seen that the big increases are in the departments of Finance, the Army, and the Navy. Whilst it might be supposed that Japan's territorial acquisitions have imposed an additional burden on the nation, this has only been so indirectly. Formosa, Kwantung, the South Manchurian Railway, Korea, and Saghalien have each separate Budgets, and only figure in the national accounts of to-day to the small total of Y11,630,575, being the total of the grants from the national treasury to the administrations of Korea, Saghalien, and Kwantung.

The heavy increase in the estimates for the Finance

Department is due to the enormous burden of the National Debt, which now absorbs Y142,000,000 per annum in interest and redemption, to the expenses for the collection of taxes (about Y11,000,000), and to the charges of the Deposit Bureau, a similar amount.

With regard to the Army, there is no doubt whatsoever that this is administered in a most extravagant and wasteful manner. The events of the constitutional crisis in 1912 showed very clearly that considerable retrenchments were possible in military finance, but that the Choshu leaders were unwilling to allow such retrenchment unless the money so saved was re-devoted to them for further expansion. Whether Japan really needs the enormous army which she maintains is extremely doubtful. At various times the Chauvinists have advanced three different arguments for the maintenance of this large force. The first was the prospect of a *guerre de revanche* by Russia, the second the constant possibility of trouble with China, the third the necessities of the Anglo-Japanese Alliance. Even if every one of these had been a good justification in the past, not one remains to-day. Russia by the time the Great War is finished will not be looking for more trouble in the Far East. She will have enough to do to consolidate her new territories and to develop her industries and commerce, which will keep her occupied for many years. China is now a republic, and her principal hope is to be allowed peace and quiet to settle down. China will not make war on Japan nor on any other nation unless she is forced to by foreign aggression. The possibilities of trouble with China lie in the hands of Japan, not in those of China. The Anglo-Japanese Alliance has very little to do with Japan's military forces. The only country against which a big Japanese army could be utilized is Russia, and it has been a cardinal point of British policy to make friends with Russia, a country where British capital is going to take the place of German. The capture of Tsingtau is almost the only conceivable military operation where

the Japanese army could be of service to Great Britain. The other possibility is that of an anti-foreign rising in China. The employment of a Japanese army in Europe or in India is incredible. To begin with the expense would be appalling, and secondly, such a course would require the amendment of the Japanese Constitution. There is no adequate reason at present for Japan's large army, and there will be even less reason after the termination of the war. A smaller standing army and a wider system of manhood training would effect a considerable saving in money, would maintain military prestige and efficiency, and assist considerably to reduce the cost of living.

The case of the Navy is on a different footing. Every insular and maritime nation requires a strong fleet for its own defence and that of its trade routes, and Japan's Navy has therein its justification. Also by notes attached to the Anglo-Japanese Alliance the Navy has to be maintained at a certain level. The Japanese Navy is not out of proportion to its defensive and political requirements, but it is out of proportion to the resources of the country. No doubt considerable economies could be effected by the placing of more construction orders abroad, but this would conversely react on the shipbuilding abilities of the home yards, which might result disastrously in a moment of crisis. In the present war the Japanese Navy until lately played but an inconsiderable part. Japan's participation came too late to prevent the escape of the German China squadron from Tsingtau, and was limited to the Shantung operations, to the occupation of the Carolines, and to patrolling the trade routes. It is curious, but worthy of note by those interested, that the naval expansion was principally directed towards the creation of a very strong battle squadron, and not, as might have been expected, to the building of fast light cruisers, a fact generally accepted as an indication of the belief that one day she would have to fight for the supremacy of the Pacific.¹

¹ These remarks apply to pre-war conditions only.

Turning from expenditure to the National Debt, it will be seen that in the same period the funded debt has risen from Y530,180,811 (1903) to Y2,545,070,505 (1914), or nearly five times. For this increase the war was greatly responsible. An analysis of the objects of the borrowing gives the following result :—

	Yen
Reorganization of Public Institutions	4,091,804
Economic Undertakings	532,285,419
Military Affairs	817,039,000
Consolidation of Old Loans	1,126,917,323
Monopoly	4,351,309
Colonial Exploitation.....	60,385,650
	<hr/>
	Y2,545,070,505

Unfortunately the above figures, though, and perhaps because, taken from the Official Report, do not convey a correct classification of the National Debt. The phrase 'financial adjustment' or 'consolidation of old loans' is an excellent method of concealing the baneful influence of militarism, and prevents any adequate conception of the charge which the war has laid on the country. For example, the 4 per cent. Sterling loan of second and third issue 1905 and 1910, the 5 per cent. Sterling loan of 1907, the 4 per cent. Paris loan of 1910, the 4 per cent. loan of 1910 (first and second series), were all in reality war loans, whilst the Exchequer Bonds of 1913 were issued in connection with the railway development. Financial adjustment should only be a second title for this immense total, eleven-twelfths of which was directly borrowed to cover the costs of the war.

The Japanese have a most unfortunate *penchant* for avoiding displeasing facts and an equal taste for window-dressing. Saving 'face' is just as much a characteristic of the country as it is of China. Whilst it may be technically correct to place the thousand odd million yen mentioned above to financial adjustment, such an explanation by no means tells the whole truth, and to debit the war and military and naval expansion with

only, ¥817,000,000 is the concealment of a material fact. This attitude towards financial matters is by no means uncommon, and of the many attempts at tinkering up the situation which have been witnessed since 1907 only one made any pretence at a true realization and at a fundamental solution of the difficulties.

~~It is with the second Katsura Ministry that the genuine~~ maladministration began. Katsura himself took charge of the Department of Finance, a position for which he had no training and little ability. He was faced with problems which an expert economist would have found difficulty in solving. He had to restore general financial credit in Japan, for this had been rudely shaken by the disclosure of serious trouble in some of the leading institutions. He had to restore Japanese credit abroad, which was weighed down by the heavy burden of debt and by the steady rise in expenditure. In addition he had to meet demands from all quarters for funds for productive and military purposes, and to answer the clamour of the people for a reduction in taxation. That Katsura made serious mistakes cannot be denied, but there can be no doubt that he tackled the situation with reckless courage and decision, and the manner in which he carried his various conversion schemes was clever and economical. If his device of maintaining the 4 per cents. at a fictitious level was a mistake, it was one for which the underwriters were as much responsible as he was, and it is one which has since been copied in other countries.¹

¹ The Four Per Cent. Bonds were issued to a banker's syndicate, consisting of the Specie, Industrial, Hypothec, Mitsui, Mitsu Bishi, First, Third, Fifteenth, Hundredth, Yasuda, Sumitomo, Konoike, Yamaguchi, Naniwa, Thirty-first and Kitahama Banks. The issue price was 95 and for a conventional period the banks undertook not to dispose of their holdings under that figure. The syndicate was dissolved at the end of the conventional period, March 1912, as Mr. Yamamoto regarded its continuation as undesirable. By that time the market value of the bonds had dropped to 87-88, a factor which resulted disastrously for those of the banks as the Industrial and Kitshama which had continued to value their holdings at the fictitious price forced by the convention.

When he embarked on the reformation of Japanese finance in 1908 he had to find, according to authorized programmes—

Y110,000,000	per annum	for National Debt charges
Y180,000,000	in thirteen years	for the Army
Y350,000,000	" "	Navy
Y310,000,000	" "	Productive purposes
Y440,000,000	" "	Railways
and Y24,392,050	per annum	for interest on Railway Bonds

besides the funds for the various Departments of State and for the normal development of the country. Further, he had to do this without borrowing any more money, for he issued a self-denying ordinance to that effect as soon as he took office. It was quite impossible for him to achieve his object, the more so as he voluntarily added to his own burdens and submitted to the imposition of further burdens laid on the Treasury by the Army and Navy.

He issued a statement that he not only would not indulge in further borrowing except for loan conversion, but pledged himself to pay off Y50,000,000 of debt per annum. He authorized a further naval programme of Y80,000,000 spread over six years, a riparian improvement scheme of Y9,000,000 per annum for twenty years, and Y10,000,000 per annum for ten years for Korean railways, roads, and harbours, plus a Y12,000,000 annual grant to Korea. (This followed the annexation of Korea in 1910, and has since been reduced to Y9,000,000.)

In considering the country's financial position too much attention is paid abroad to the verbosity of the Japanese financial agents in London and New York and that of their chiefs in Tokyo. Such promises as Katsura's, not to borrow but to redeem all bonds in thirty years, ought not to be taken into serious consideration at all. They are merely the bright hopes of optimists, and most Japanese are incurable optimists when they have foreign listeners. These glittering and

attractive utterances are merely delusions for the unwary, as the following incident shows.

When the Japanese 'boom' campaign was on in London during the Russo-Japanese War, Mr. Arakawa, the Japanese Consul-General, issued a statement that gold-fields had been discovered at Iwate, one-fourth of which had been examined by Dr. Watanabe, the Home Office expert, who had estimated the ore on that section at £100,000,000. "If the remaining three-fourths of the goldfield," said Mr. Arakawa, "are, after examination, found to be similarly prolific in ore, Dr. Watanabe estimates that the Japanese treasury will be enriched to the extent of £400,000,000." It was a beautiful dream. The gold-mine was worth just about £300,000, money sunk in it by the semi-official Industrial Bank under the orders of Viscount Sone, Minister of Finance, and the Premier, Marquis Katsura. Dr. Watanabe had made the report quoted by Mr. Arakawa under the written instructions of Sone and Katsura, and when, in 1910, he was attacked in the press by the shareholders of the bank he published the instructions. The bank lost every *sen* it had put in the mine, and was only saved from liquidation owing to this and other 'foolishness' by a loan arranged by the Government in 1913.

It is quite clear to any one who tries to study Japanese finance that he will never be able to get right to the bottom of things. There is too much juggling, lying, and optimism. It is only possible to consider points which cannot be concealed and to draw conclusions as to the remainder.

The Specie Reserve is the cloud which looms over the whole situation, and incidentally gives scope for more clever manipulation than all the rest of the accounts put together. During the war Japan borrowed a lot of money abroad, and it was arranged that such cash should be kept in London to serve as a fund for the payment of munitions and supplies and the interest on the foreign debt. The arrangement was undoubtedly a suitable one. It was handy for Japan to hold the

money there, and it was comforting for the investors to know that it was there. Until 1912 the amount of the Specie Reserve was kept strictly secret, and there is still a halo of mystery around it, for no regular statement is issued, and the bare total is all the information which can be extracted from the government by interpellations in the Diet. Part of this reserve, generally from one-half to two-thirds, belongs, however, to the Bank of Japan, and forms a portion of the gold stock held against the issue of currency notes. The government share fluctuates from eight to twenty millions sterling, and, except for constant replenishment by the proceeds of new loans, would have vanished into nothingness within two or three years of its formation.

That part of the reserve which is kept in London is a striking example of the manner in which the finances are conducted. It was originally created from the unexpended portions of the war loans, and use of capital to pay interest which would not appeal to a financial purist, and a clear indication that the Japanese Government at that time did not expect revenue to expand at a rate sufficient to cover the charges on the debt.

In addition to the payment of interest and redemption, the reserve is also used by the Financial Commissioner to maintain Japanese credit in Europe. For this purpose he goes into the market and buys Japanese bonds. That is to say, that the Japanese Government invests its reserve in its own paper—a fad which very materially alters the status of the reserve, making it a paper instead of a gold one. I am aware that this suggestion has been made before and repudiated by the authorities, but its truth cannot be denied in view of Baron Takahashi's very definite statement in the Diet on the subject. He admitted that when Japanese Financial Agent in London, he was authorized to invest up to ¥60,000,000 per annum in Japanese bonds, that this policy was still being pursued, though the amount available had been reduced to ¥40,000,000 per annum. I believe the present government, in view of the diminution of the reserve, had only

authorized Y20,000,000 being thus employed. In any case the practice is clear and materially affects the basis of Marquis Inouye's figures. That it can involve the authorities in serious difficulties was shown in March, 1913, when the Specie Reserve was so low and locked up that there was insufficient to pay a miserable £700,000 to Paris to redeem a parcel of 5 per cent. bonds which had been drawn for redemption. The reserve has been maintained by a continuation of the borrowing policy, which Katsura nominally eschewed. And even in his self-denial there was a fly in the ointment, for when foreign investors understood by it that he intended not to borrow for any purposes whatsoever, he hedged by excluding the railways from the scope of the ordinance, although even railway loans were not to be raised so long as the postal savings and other funds in the Deposit Bureau were available. This did not affect the steady diminution of the government share of the Specie Reserve abroad. Interest and redemption had to be continued, and of course the available balance steadily fell, for no replenishment was possible by shipping gold from Japan, where revenue only met expenditure by a course of high financing. The South Manchurian Railway loan in all probability went into the London reserve. The Industrial Bank issue of 1908 certainly did, and in this transaction a double bluff was played, for not only was the money placed in the reserve and notes issued in Tokyo, but as the London Press pointed out the £2,000,000 sterling had been borrowed twice over for the same object, the loan really being to refund to the bank monies lent to and already expended by the Korean Government.

The most notorious incident of bolstering the reserve was the case of the Tokyo Municipal Loan of 1912, for the acquisition of the Tramway Company's properties. To begin with the purchase was only effected after a good deal of bribery. A loan was then issued in London, New York, and Paris for Y89,600,000. The real object in view was the replenishment of the gold reserve in

London, which had fallen to ¥110,000,000. The money raised was retained in London, and notes to the amount were issued in Japan. As *The Economist* pointed out in a very serious criticism, such action made the sinking fund 'a sham and something worse.' This last transaction was the final *coup* of Katsura finance. After the authorization of the purchase he resigned, though leaving to his successor the task of completing a very unsatisfactory business. This was typically Katsuresque. As in 1906, he laid on Saionji the burden and the odium of the railway nationalization, so in 1911 he laid on him the task of depreciating the currency. Mr. Yamamoto, his successor at the *Okura-sho*, was strongly opposed to the whole scheme, but had to carry it through, though he refused all responsibility for its initiation.

When Katsura resigned office in 1911, it would not have taken very much to precipitate a financial crisis of the very first quality. That it was not precipitated was due to the wisdom of Marquis Saionji in appointing Mr. Yamamoto as Minister of Finance, and in giving him every support, a course in which he was heartily backed by Marquis Inouyé and the bankers of Tokyo, led by Baron Shibusawa.

Unconnected with any political party and almost unacquainted with the manœuvres and intrigues of Japanese politics, Yamamoto Tatsuo was the right man to handle the financial situation.

Born of lowly parentage in Bungo province in 1856, he worked as an usher in a primary school at Osaka in order to obtain the funds wherewith to educate himself. With his savings he went to Tokyo and entered the Keio University, but his poverty was such that he was unable to complete the curriculum. Fortunately he came under the notice of Mr. Shoda Heigoro, manager of the Mitsu Bishi Company, and on his nomination entered the Commercial School founded by the firm. From being teacher he eventually became head master, a post which was only vacated to become first Director of the Okayama Commercial School, and then Director of the Osaka

School. Like all adherents of Fukuzawa, he was an enthusiastic politician in his youth, and of course a democrat, but on leaving Keio he gave up all interest in politics. Rejoining the Mitsu Bishi, Yamamoto first entered the Yokohama branch of the firm, but was soon transferred to Tokyo as sub-manager, where he remained until, in 1889, he was appointed private secretary to Baron Kawada, President of the Bank of Japan. His knowledge of finance was such that he became Director of the Business Department, and under the late Baron Iwasaki was the *yonin*, who really managed the whole concern. In 1898 he became in his turn President of the Bank, from which post he retired on the accession of the Katsura Cabinet in 1901. During his tenure of office he had some rare fights with a clique of the Directors, but sure of his arguments, and backed by public opinion, he won through on each occasion. His next appointment was as President of the Hypothec Bank, where he placed to his credit a complete reorganization of the management and a considerable increase in capital, turnover, and profits.

The appointment of Mr. Yamamoto was the most daring experiment that has been tried of recent years in Japan. To take a man unconnected with bureaucracy or politics and hand him the most critical of all the portfolios, with *carte blanche* to do what he liked, was an extraordinary act of courage and wisdom. I do not think that anybody expected that the new Minister would be able to carry through the programme which he laid down. I am certain he did not himself expect to succeed, for he had against him the clan influence, which could not endure for a moment the diversion of funds from the ships and guns to ease the burden of taxation. Writing to London on December 3, 1911, I said: "Yamamoto's programme is excellent and popular, and if he can carry it through it should in a few years put this country on a financially sound basis. From what I learn, however, he will not be allowed to carry it out." That proved to be a very true prophecy. Even though his *régime*

was unsuccessful, the country owes him thanks for the fearless manner in which he grasped the situation, and for having had the wisdom to take the public into his confidence and teach it the true condition of affairs.

His first step was to issue a very serious warning to the nation that unless drastic remedies were taken the country would go bankrupt. In this view he had behind him the Premier, Marquis Saionji, and the three financial veterans, Marquises Inouye and Matsukata and Baron Shibusawa. Yamamoto held the opinion that a country's finances should be managed like those of a business or a bank. Accordingly he wanted to cut down expenditure to meet revenue, to charge the National Debt service against income, and to develop manufacturers and commerce so that the annual drain of gold should be replaced by steadily increasing exports. All continuing expenditures were to be reduced to the limits of the revenue. This programme may not seem to be very different from the views enunciated by Katsura when he had assumed office in 1908. The difference lay in the author. Katsura made promises, but had no intention of keeping them, if they were difficult to keep. Yamamoto laid his course, and was determined not to swerve from it, even at the cost of his post. Saionji was equally steadfast, and intended to risk his Cabinet rather than give in. The first fight came with the Army, and the proposals for the two new divisions were rejected. Ishimoto, under orders which originally emanated from the Meiji Tenno, withdrew his demands. The next on the list was the Navy, who put in a demand for yet another programme totalling Y350,000,000,¹ which Baron Saito absolutely

¹ At the time the Y350,000,000 scheme was proposed Japan already had four other programmes under execution.

The following are the programmes now under construction :—

(1) No. 3.	1903	Y99,000,000	terminating in	1915
(2) No. 4.	1904	Y123,000,000	" "	1914
(3) No. 5.	1907	Y76,000,000	" "	1915
(4) No. 6.	1910	Y80,000,000	" "	1915
(5) No. 7.	1912	Y90,000,000	" "	1919
(6) No. 8.	1914	Y350,000,000	" "	1920

refused to withdraw or reduce. It came to a clean fight between the Navy and the Treasury. Saito said he must have the money, as it was vital to the defence of the country. Yamamoto replied that he fully appreciated the argument, but—there was no money. Saito went out to seek clan support, and Yamamoto gave him forty-eight hours to bring in new estimates. Finally Yamamoto gave him Y2,300,000, but only money which Saito had saved out of the ordinary Naval Estimates, as an instalment of Y90,000,000 spread over seven years. It was a big victory, and it made the Finance Minister very popular. The final decision was come to at a Cabinet held late at night, and was at once announced and cabled away. Till an early hour there were callers at the official residence to offer congratulations, and telegrams and letters arrived next day in shoals. Other economies followed. The government grant to the Meiji Exhibition, the construction of the new Parliament House, the improvement of harbours and extension of telephones were all abandoned or largely curtailed. Out of Y45,000,000 Yamamoto, now in fact the autocrat of the money-bags, allowed only Y3,400,000, which all went for productive and educational purposes.

The Budget, which was drawn up and presented to the Diet, showed a balance of Y573,823,979, being an increase of Y3,938,080. Taxes showed a decrease of Y1,134,189, but Stamps and Government Business an increase of Y5,000,000. If the Budget did not appear to do much to fulfil the programme laid down by the Minister, it at least did not contravene any of the rules he had made. In addition it was well understood that a Budget cannot be drawn up in a few weeks, and that this one was in fact merely a formal affair for parliamentary purposes, and had but little relation with the ultimate intentions of the Government. The Premier and Mr. Yamamoto recognized that no proper reform could be effected by merely rearranging figures.

The whole system of administration had to be overhauled and drastic economics enforced. A strong com-

mission was accordingly appointed, which after six months published in June, 1912, a report, which was immediately translated into law, and went into force from the date of promulgation. By it a reorganization of offices, economies in working, adjustment of revenue, and postponement of continuing works took place, resulting in the dismissal of 27,000 officials and employ  s, and in a total annual saving of Y70,373,433. As affecting the 1912-13 Budget, as the new scheme was put to work at once a saving of Y66,144,430 was made.

In another chapter I have given the causes of the fall of the Saionji Ministry, and with it failed the only honest attempt made since the war to grapple with Japan's financial problem. It is more than a thousand pities that Mr. Yamamoto was not continued at the *Okura-sho* by Count Yamamoto. His next step after the curtailment of expenditure was to have been a revision of the tax system, and it would have been interesting to see how he would have accomplished it.

His successor, Mr. Wakatsuki, is a bureaucrat bred in the atmosphere of the department, of which he is now for the second time the head. His first tenure of office only lasted a few weeks owing to the collapse of the third Katsura Ministry. He has no great reputation as an economist, but has had considerable experience of official finance as Commissioner in London and as Vice-Minister. If he gets staunch backing from his chiefs he may be able to fulfil his promises to reduce expenditure, but generally he is regarded as being too much under the thumb of the militarists, whose excellent servant he was during Katsura's second Ministry, and so may not now be able to resist their importunities.

Baron Takahashi, who was Minister of Finance under the Yamamoto Ministry, was the very antithesis of Mr. Yamamoto. A big, hale and hearty figure, he has the appearance of a prosperous stockbroker rather than that of the custodian of a nation's wealth. He is lavish in hospitality and in promises, a habit he is reported to have acquired when Financial Commissioner in London.

His usual remedy for a lack of revenue is a loan. His policy in this respect was to raise money by Railway Notes and Exchequer Bills, and by borrowing from the Special Accounts and Deposit Bureau. The former he then converted into foreign loans, long or short term, and used the proceeds to bank up the reserve against an issue of notes to refund the latter. He reduced the maximum issue of Treasury Bills by ¥50,000,000 so as to keep the note issue somewhere near relation to the Specie Reserve.

From the investors' point of view it was a good thing that the Yamamoto Cabinet fell, for if this policy had been persisted in, a very considerable addition to the foreign debt would have been incurred. To a certain extent the policy of converting the floating debt into a funded debt is a sound one, especially in Japan, where matters had got to such a point that the country was living on paper. But to the foreign investor it was most undesirable to have the foreign debt increased by the conversion of these Railway Notes and Bills, only to have the floating debt again run up to its original amount. In addition the foreign loans cost a great deal more than the internal paper. The Bank of Japan will discount government paper at from $2\frac{1}{2}$ to 4 per cent., but foreign loans, as raised by Baron Takahashi in 1913, cost from 12 to 14 per cent.

Baron Takahashi's ideas on loans may be gathered from the following criticism by Baron Megata, formerly Financial Adviser to the Korean Government, and one of the most astute financial experts in Japan. He said :—

“ The House of Peers has been obliged to swallow the Budget for 1913-14 owing to the action of the Government, without making any amendments, but I am very much concerned about this state of things as well as about the future of the Empire. The total amount of Bonds to be issued for the Special Accounts, not for the National Budget is ¥180,339,537 (part of which has already been issued), plus Exchequer Bills to the total of ¥50,000,000, making a grand total of

Y230,000,000. These bonds, according to the government, must be issued or renewed by the end of the year. Such a policy, when our finances are already embarrassed, cannot possibly strengthen our position, and it is this failure which is the cause of our troubles. The following is the loan account :—

	Yen	Yen
Railway Notes in London, due March 13, 1914	14,644,500	
Railway Notes in London, due March 13, 1915	14,644,500	
Railway Bills, due April 14, 1913, of which 5,000,000 to be redeemed by part proceeds of London loan	25,000,000	
Railway Bills, due June 13, 1913.....	25,000,000	
Bonds authorized 1912/13, to be issued 1913/14	5,000,000	
Bonds authorized for issue 1913/14.....	35,103,216	
Total loans for railway account	<hr/>	119,392,216
Korean Industrial Bonds :		
Total authorized 1912/13		24,920,736
Total authorized 1913/14		12,620,220
Riparian Improvement Account :		
Balance authorized 1912/13 to be issued		13,751,505
Total authorized 1913/14 to be issued.....		9,262,887
Exchequer Bills outstanding.....		50,000,000
		<hr/>
		Y229,976,567

“ It must be clearly understood that these loans are not for general financial purposes, but for the Special Accounts, and largely exceed the similar loans in the last Budget, an increase of close on nineteen millions. Judging by the present state of things our indebtedness will never be reduced, but will go on increasing each year. The government has declared its intention to raise funds by drawing on the Deposit Bureau and by short-term loans. Short-term loans are well enough if the government has abundant funds for redemption at maturity. If not then the loans must be renewed at very disadvantageous terms, and so the increase in indebtedness is maintained, and eventually the short-termers will have to be converted into long-term loans, in raising which insuperable difficulties will be met unless the nation is to be placed at still further disadvantage. As for the Deposit Bureau, its funds are limited and cannot be

expected to meet the government's never-ending demands." ¹

Two points appear greatly to worry Japanese economists. They are the efflux of gold from the country and the increase in the currency. In 1911 the latter was a prolific cause of argument, but no decision was come to on the matter. Although Mr. Yamamoto was credited with a belief that the volume of currency should be decreased and Baron Takahashi with a contrary view the subject never became a serious political issue. The argument that currency depreciates as its total increases is one which has not yet been satisfactorily demonstrated. In any event the depreciation could not amount to very much. On the other hand the point which was avoided in Japan, but which was capable of abundant demonstration, is that currency in excess of a proportionate relation to reserve must *ipso facto* depreciate in value. If the issue of bank-notes is to be regulated only by the financial requirements of the government, the purchasing power of notes cannot be maintained. The Japanese, as might be expected, are note and silver users by preference, which may also have some influence on the situation, though there is reason to believe that the authorities strongly approve of this attitude towards gold. It is a rarity to see gold in circulation, and it is quite a business to obtain gold in any quantity. Anybody who goes to a Japanese bank for the purpose of changing paper into gold will realize the suspicion which such an act will produce. On one occasion I received instructions to pay 1,000 yen to a foreign tourist, and as he wanted gold for a portion of it I had to go to the Specie Bank to get it myself, and when there had to answer a regular catechism as to why I wanted gold. Mr. J. E. Suttor, the Australian Commercial Commissioner, has on various occasions drawn attention in his reports to this hoarding of metal, and I believe makes a point of getting gold whenever he can, though it is noteworthy that the point has attracted but little atten-

¹ Baron Megata in *Yomiuri Shimbun*, March, 1913.

tion in other official communications. Nevertheless it is a point which will have considerable importance in the event of a crisis developing.

The annual efflux of gold is a question which would appear to rest on a very definite basis, and one which is responsible for a tremendous amount of anxiety. The authorities are firm believers in the mercantilist theory, and regard with dire dismay the excess of imports over exports. The annual drain of gold is allowed to be between eleven and twelve million sterling per annum, a calculation which is arrived at as follows :—

	Yen	Yen
Average excess of imports (5 years) :		
Japan Proper	20,397,324	
Formosa	4,196,972	
Korea	21,239,041	
	<hr/>	45,833,337
Special imports		10,154,860
Interest on National, Municipal, and Company bonds		72,761,668
		<hr/>
		128,749,865
Inflow of gold by other causes than ordinary trade		63,804,125
		<hr/>
Net efflux		64,945,740
Bonds redeemed (average for 15 years)...		46,470,109
		<hr/>
		Y111,415,849

The above statement was drawn up in January, 1912, by Marquis Inouye and Baron Shibusawa, with the assistance of the various banks, steamship offices, and government departments, and as the Marquis and the Baron are two of the most eminent of Japanese financiers, their statement is worthy of some consideration.

According to a certain school of economics the theory of the balance of trade is responsible for the whole of the financial troubles of the country. Certainly it is a serious matter to have to find an annual amount of gold such as that mentioned, and strenuous efforts are made by the authorities to make the figures appear more

kind—an effort in which they regularly fail, because the publication of the true figures would at once disclose their disregard for the no-loan policy. Unfortunately it is very difficult to get at the correct figures, and in addition it appears doubtful as to what is meant by the efflux. For example, are the payments out of the reserve in London included? From the above account it would appear that they are—on the efflux side, and yet if they are not also included in the influx, the above figures cannot be correct. However, whether or not the reserve abroad and its manipulations are included in the calculations, the basis of Marquis Inouye's figures are fallacious. To begin with, nothing like Y46,000,000 of foreign debt is redeemed per annum. On the contrary, the average redemption over fifteen years has been at the rate of Y16,599,636, whilst the average borrowing in the funded foreign debt has been Y116,628,746, without mentioning municipal and company borrowing. Unfortunately no mention is made by the Marquis of borrowings, and it is uncertain whether the purchase of Japanese internal bonds by London and Paris is included, an item which often exceeds Y15,000,000 per annum. By special imports is meant goods on government account, which most certainly exceed Y10,000,000 per annum. Iron ore for the Imperial Foundry amounts to Y7,000,000 per annum. The 'inflow of gold from other causes than trade' is that highly speculative item known elsewhere as 'invisible' imports, and includes shipping returns, insurance tourists disbursements, interest on foreign investments, etc.

Neither the figures given by Marquis Inouye nor any figures given by the financial authorities are of any value as they arrange them. They are so vague and confused that to base any deductions on them is useless. I do not believe that the exodus of gold is at present any serious danger, though I qualify this statement by adding that I am dealing entirely with the situation before the war. It is, to begin with, quite impossible to talk about an exodus of gold from Japan, and it is

equally futile to debit the payments for redemption and interest unless new loans are also credited. The following table was drawn up by an unofficial Japanese economist, and presents another side to this question. I believe that previous to the war there had been an influx of gold, though probably not as great as this account suggests.

Debit	Yen	Credit	Yen
Interest on foreign National Debt (actual) .	65,927,000	Bullion Import (at 5 years)	1,080,000
Redemption (5 years average)	16,599,000	Invisible Imports ¹ ...	58,000,000
Municipal Bonds (Int. and Red. actual)...	9,553,000	Colonists ¹	28,000,000
Government Imports (average) ¹	22,600,000	Loans (average 5 years)	116,628,000
Excess of Imports (5 years)	48,269,000	Gold and Silver prod.	13,000,000
Balance (being influx)	53,760,000		
	<hr/> Y216,708,000		<hr/> Y216,708,000

The above figures are all from official sources, and have been carefully checked. So far from there being an exodus, there is an influx, and this, it seems to me, must be correct, because the rate at which money has been borrowed exceeds considerably the rate of payment. When the money really begins to leave the country imports will be naturally checked. If the nation has not got money it can't buy, but so long as it has money, whether from internal production or by inflow, it will go on importing. The actual inflow and outflow of coin or bullion from the country as a geographical unit is in this connection of no real importance. As we know, the Bank of Japan keeps a great portion of its reserve abroad. So does the government, and so does the nation. What is, or at all events should be, understood by this

¹ Official Estimates 1913.

N.B.—All Korean, Formosa, and Manchurian figures are omitted except a sum of Y18,500,000 included under invisible imports, being dividends and interests on investments in China and Manchuria.

so-called exodus of gold is the profit and loss account of Japan in its transactions with the world. A nation's solvency, especially a debtor nation's, does not depend on the amount of gold in the country, and I contend that the proceeds of loans incurred ought to be considered in this problem just as much as the redemption of such loans, the more so as revenue is not sufficient to cover the debt service, and when debt is repaid it is out of the proceeds of new loans.

The financial trouble in Japan has really no connection with the gold reserve, the amount of the currency, or the exodus of gold. It is the result, in common parlance, of high living and low thinking. About three-fifths of the National Debt is unproductive. The Russian War has given Japan nothing which can produce large returns. Korea every year needs Y9,000,000 or more, Saghalien and Kwantung also are a burden on the Exchequer. Japanese investments in Manchuria are not yet producing any great revenue. In addition the position Japan has attained as a continental power necessitates an enormous military expenditure. She is mightily over-taxed to pay the charges on the war loans and to maintain her position, and even so the revenue is insufficient to cover expenditure. As a result further loans have to be raised. Capital and labour are being heavily oppressed to pay for the clans' ambitions. There is only one course open to her financial authorities if they really wish to save a serious disaster. It is to drop all aggressive ambitions, to cut down military expenditure to a figure well within the country's means, and with the money thus economized, pay off debt, ease off taxation, and develop productive industries. Incidentally they will do well to take a course of lessons in political economy and accountancy.

An adverse balance of trade does not mean that a country is living on its capital. That is an exploded theory. Raw cotton imported from India and America is made into yarn for export to China, and cotton fabrics for sale in Japan, China, and Australia. Machinery earns many times its own value in the work it does in

the mills. The Wakamatsu foundry imports ore, which makes plates, which build a ship, which in a few years earns freights and fares to many times its cost.

Take the case of cotton. The import of raw and ginned in 1911 was 145·5 million yen. What happened to it? It produced cotton yarn, which was exported to the value of ¥40,200,000, and fabrics exported to the value of ¥37,600,000, and in addition piece goods for the local market to the value of ¥140,600,000. It provided work for 1,900,000 spindles in ninety factories, employing 88,500 operatives, besides the immense number working in the weaving mills. It produced over ¥7,000,000 in freight and insurance, and enabled the twenty-six spinning companies to pay an average dividend of 14·4 per cent.

Yet, according to the authorities in Japan, the country lost 67·3 million yen over the transaction, because cotton exports were valued at that much less than the imports.

The balance of trade theory is a relic of feudalism, and the sooner Japanese economists realize it the better.

I do not suggest that Japan can do without foreign money, because she cannot, and money will have to be borrowed from time to time for railway and industrial purposes. What she must not continue to do is to borrow money, nominally for industrial purposes, but really to bolster up that illusory reserve in London. The industrial purposes will have sooner or later to be provided for in reality as well as in name, and it will save very painful criticism if loans in the future are devoted to their proper purposes.

The present Ministry have taken the wise course of cutting down the Sinking Fund. Investors will be far better pleased to have ¥20,000,000 per annum sure than spasmodic lumps and a volley of promises which are incapable of fulfilment. Taxation must be reduced, because at its present level it is crippling the future of the country. Whilst, as I believe, the exodus of gold has in the past been a bogey, it may become a reality in the future, because the destruction of capital, owing

to the present war, is going to keep the foreign investor interested at home for some time to come. In the future Japan will not be able to raise loans as in the past, and she must make her revenue suffice for her needs. Whilst on the one hand her imports will be checked, thus helping to save money, on the other her manufactures will also suffer from depression abroad. Nevertheless, she should be able to develop her foreign trade very considerably, though it will be at the expense of England and Germany, and to a certain extent of America. Having to pay out of her own resources the interest and redemption of her bonds, she will be obliged to do this by legitimate commercial methods. These are either by proceeds of investment abroad, by freight and carrying services, or by a favourable trade balance. The former she cannot yet avail herself of because she has no considerable foreign investments; it must be done, therefore, by the two latter. Even since the beginning of the war Japanese shipping has received a considerable impetus, and lines are running through the Panama Canal and across the Atlantic. Her export trade must be developed, and so developed that her acquisition of markets shall be permanent and not temporary. To do this she must reduce taxation, because it is taxation which is annihilating her principal manufacturing asset, cheapness of labour. If new loans are really estopped, the favourable trade balance will automatically arrive. When foreign debt is created, the proceeds do not go to Japan in coin but in goods, and the implementing of the self-denying ordinance will in itself check imports, and far more effectually than Imperial Rescripts and official encouragement.

With a reform of the finances it is to be hoped that there will be a diminution of the activities of the Financial Commissioners abroad, so far as their press campaign is concerned. Many of the statements issued by them have been, to say the least, misleading, if not untruthful. They seem to be imbued with the belief that any criticism of Japanese finances must be based on a desire to damage

that country, and entirely fail to recognize that any damage to Japanese credit must inflict heavy losses on that country's financial backers, the British investors. No editor and no correspondent would therefore dare to publish harsh criticisms without a knowledge of the facts 'before him', and unless he was convinced of its justification. It cannot be denied that the country is over-taxed, the expenditure abnormal, the National Debt for the most part unproductive, and the administration muddled, and in addition there is a morbid objection to the publication of the truth. A Japanese reviewer criticizing my publication of the *Memoirs of Count Hayashi*, said that everything contained therein was already well known to the Japanese public. Exactly! But not to the British public, and the object of the publication was to enlighten the latter. It is the same with the finances. The Japanese public is well aware of the defects of the financial situation, but the authorities object to the foreign public, which has found and lost a lot of money for Japan, sharing the secrets.

On several occasions when in Japan I had considerable trouble over the financial reports sent by me to London, and I refer to some of them as illustrating this fear of criticism.¹

I must say that these did not occur during Mr. Yamamoto's *régime*. That gentleman was always ready to give any information possible, and as long as he controlled the department, the press could rely on being told the substantial truth. During the Ministry of Count

¹ In my dealings with Japanese statesmen I adopted a plan which ought to have prevented any misquotations arising. I never made any notes during an interview, because an interviewer who does this inevitably develops a tendency to emphasize picturesque phrases out of proportion to their context. After the interview I would write it out from memory, and then, before sending to London, submit it to the interviewer for *visé*. Only after it had been signed by him or his private secretary was it dispatched. By this means it was difficult for me to misquote a Minister, and equally difficult for a Minister to claim that he had been misquoted, an excuse which has become very frequent in connection with interviews in the Japanese press.

Yamamoto it was by no means so easy to obtain information, and it was quite impossible to rely on the correctness of statements issued to the press. At the time when a parcel of short-term bills were issued in London and Paris in March, 1913, a statement was given to the press representatives that a portion of these bills were to be issued in New York through Messrs. Kuhn, Loeb & Co. This information I telegraphed to London. Two days later another statement was issued denying that there had ever been any intention of issuing bills in New York. I happened to go to Yokohama that day, and went into one of the foreign banks, which has largely to do with governmental finance. I asked the manager about the denial of a New York issue. "It's all lies," he said. "Look here." He pulled out the decode of a cable from his New York agency, saying that the proposed New York issue had fallen through as only \$11,000 could be underwritten there. Leaving the bank, I walked in to the manager in the Far East of one of the big American insurance companies. Knowing that they usually underwrote Japanese issues in New York, I asked him about it. "Yesterday," he said, "I got a cable from New York to say that they had been asked to underwrite part of these bonds and had refused. They instructed me to go to the Finance people in Tokyo and tell them that as they were forcing us under the new Insurance Regulations to stop writing new business in Japan, we were forced to stop writing their bonds in New York. I told them so yesterday afternoon." I subsequently saw the official responsible for issuing these two contradictory notices to the press, and asked him to explain. "Ah, y-e-s," he said; "I am very sorry for you. It is a mistake somewhere." I thought he might have reserved his sorrow for the department.

About the same time a tangle arose in London between Reuter's and the Financial Commissioner in connection with a speech made by Baron Takahashi in the Diet. I reported the Minister as saying that ¥300,000,000 was required for new undertakings, and was being gradu-

ally raised by short-term bonds, a statement which, published in London, produced a flat denial from Mr. Kengo Mori, and a telegraphic inquiry to myself as to whether I was sure of my facts. I had assumed that the Minister, speaking in his official capacity before the Diet on the government's financial programme, referred to the government's needs, and on inquiry of the banks and in diplomatic circles I found that the same view prevailed. On inquiry at the department, however, I learned that the Minister did not refer at that moment to government finance, but to the requirements of the nation at large, which, considering the official control of foreign issues, I regarded as splitting straws. That the official explanation was by no means the general view was evidenced by the comment of the vernacular press, the *Jiji Shimpō*, for example, said: "To procure funds for the construction of railways by means of short-term bonds issued abroad is a mistake, which can only lead to serious trouble, and signifies a return to the follies of the second Katsura Cabinet."

It is foible of the Financial Agency that nothing which appears in the London press with regard to Japanese finances should be regarded as correct, or even as credible, unless it bears the official imprimatur. One example of this occurred in the same month, March, 1913, when I wrote to London and reported that it was proposed to issue £2,000,000 of Korean Oriental Exploitation bonds in Paris, a statement I later amplified by adding the Industrial Bank and the Franco-Japanese Bank as the intermediaries. Mr. Mori wrote to Reuter's that "there is not a word of truth in your Tokyo correspondent's statement," yet an examination of the Korean issues shows that in due course the loan was issued in Paris, and through those very two banks. Similar incidents are of constant occurrence with any correspondent who attempts to report Japanese finance without paying due homage at the official shrine. The most notorious occasion which concerned myself, however, was in November, 1913, and the usual categorical denial from

Gracechurch Street received a rude contradiction from a quite unexpected quarter.

On November 8th that year I sent a message to London announcing that negotiations were pending between the Japanese Government and French capitalists for a loan amounting to £40,000,000, to be taken up in amounts of £4,000,000 for ten years, and was intended to cover railway construction. This message was published in London on November 26th. On November 27th Mr. Kengo Mori issued a complete denial, couched in rather superior and sarcastic language. The denial was sent on to me, but I could only reply: Wait and see! It was obvious from the letter I received that Reuter's in London were disposed to believe the Financial Commissioner's statement. On December 12th, M. Caillaux, French Minister of Finance, said before the Budget Commission of the Chamber of Deputies, that the Japanese Government had approached French capitalists to borrow Frs. 1,000,000,000 for engineering purposes, and that the negotiations had failed: that then the Japanese authorities had opened negotiations for a loan of Frs. 500,000,000, and that the negotiations were still proceeding. It is impossible that the Financial Commissioner was unaware of the negotiations, for he had only left Japan on November 2nd to return to his post. I leave the reader to compare the three statements and decide whose was the inexactitude.

Reuter,
Tokyo, Nov. 8th.

published in London on Nov. 26th. Japan is trying to raise a loan for £40,000,000 (a billion francs) in Paris for railway construction.

Financial Commissioner,
London, Nov. 27th.

published on Nov. 27th. There have been no such negotiations either in Paris or anywhere else in the world. There is no intention of borrowing foreign capital for such purposes.

M. Caillaux,
Paris, Dec. 12th.

published Dec. 13th. Japan has applied for a loan of a billion francs, but as the application has been unsuccessful has begun negotiations for half that amount. The money will be used for engineering purposes.

It might almost appear, as *The Japan Chronicle* pointed out, that the Japanese Financial Commissioner was not so well posted on Japanese financial negotiations as Reuter's correspondent in Tokyo. These are only a few of the occasions when reports from Tokyo with regard to financial conditions have been vehemently denied, and my object in drawing attention to them is to point the moral that the official statements are not trustworthy. That such denials will be less frequent in the future is highly probable since Reuter's have surrendered their interests to a semi-official concern, whose existence will depend on complying with official requirements.

The naïve *démentis* issued in London have their counterpart in the official utterances at Tokyo. It must be honestly confessed that the majority of Japanese statesmen have little conception of the real state of the finances, and very little realization of how near they are wandering to disaster. The present Premier, Count Okuma, has a world-wide reputation, which, even if it has been cheaply earned, at least necessitates a consideration of his remarks. In the January (1914) number of the *Shin-Nihon* he very strongly criticized the economic conditions. He pointed out that the return to the old loaning policy was merely raising fresh foreign loans to pay off old ones, and causing an enormous rise in the volume of currency, with the attendant increase in prices and imports and decline in the reserve. He demanded that the loaning policy be abandoned, that the Bank of Japan's gold reserve against notes be used to redeem loans, and that the note issue be expanded without regard to a bullion reserve. This proposal is not unlike Sun-yat-sen's proposal to abolish gold and silver in China and make paper the sole medium of wealth. The simplicity of this proposal of Count Okuma has perhaps been only equalled by his sudden *volte face* after assuming office in April, 1914, when, having assembled the reporters, he said: "To speak as briefly as possible, the finances of the country are in a quite secure condition.

I would not blame you if you wonder at this declaration." (They certainly did.) "You have doubtless heard and read a great number of gloomy things about the fiscal condition of Japan. Yesterday it was in a bad condition, but to-day I declare to you it is all right. The elucidation of the riddle is quite simple. All depends upon the administration. Previous cabinets, notably the one which I have succeeded, have not been doing what they ought to have done in financial affairs." The Count can always be depended on to say something startling, but this declaration resembles nothing so much as Miss Vesta Tilley's song with the refrain—

I joined the army yesterday
So the army of to-day's alright !

The mental acrobatics of Japanese statesmanship were well exemplified by the Count two months later, when he had to answer in the Diet an interpellation on his financial views. He said: "It is true that when in opposition I said that the national finances would allow of no expansion of the armaments, nor of a reduction of taxation. Now, as you have heard, I am framing a Budget, allowing for an expansion of the Army and the Navy, and for a reduction of taxation. These two opinions do not seem consistent, and I can only explain this inconsistency by my having been carried away by enthusiasm when in opposition!" *Sic transit gloria mundi!*

The light-hearted manner in which officialdom approaches a consideration of financial affairs is evident in the manner in which it refers to the burden of taxation. Mr. Wakatsuki, when Commissioner in London, made a reputation by his glowing optimism. He was one of those principally responsible for the proposal to pay off the debt in thirty years, by setting aside £11,000,000 a year for the purpose. Well, one-third of the period has passed, and the total of the debt has risen 20 per cent. It was the same official who considered 35 per

cent. of the national income as a comparatively low measure of taxation, and even then he was 7 per cent. below the fact.

Prince Katsura, on taking office as Premier for the third time, was particularly naïve in his remarks. Addressing the conference of Prefectural officials, he said : " Having had no time to elaborate a general administrative policy, I shall frame the Budget for the coming fiscal year in accordance with that of the present year. I shall change nothing in the fundamental policy which I followed in my previous administrations. It is unnecessary to say that the application of that policy may vary as circumstances require. For example to-day it is particularly necessary to keep a balance between revenue and expenditure, to harmonize government finance with public economy, and to strengthen our financial and economic bases." It might almost be imagined that the Prince had forgotten that these were the very problems which had taken him back to office in 1908.

Mr. Midzumachi, Vice-President of the Bank of Japan, was the author of a typical *couleur de rose* report during 1912, and displayed considerable courage in setting himself against the whole current of commercial and public opinion at that time. His statements were so typically bureaucratic that a few may be quoted with advantage.

" The rate of the advance of Japan's trade is far ahead of that of any other country. The pessimism with regard to our trade is because it has not advanced as rapidly during recent years as during the seven years after the China war, when it doubled itself. The opinion that our export trade is handicapped by the high prices of commodities is wrong, for the rise in prices of export goods has not been as high as in either Paris or Hamburg. Neither is the statement correct that it is due to the burden of taxation, for Japan's burden of taxation, 10.12 per cent. of the national income, is less than that of either Italy or Spain, and in the neighbourhood of the burden in France and Russia. Yet Italy, France, and Russia are all expanding their trade. It is true that

prices in Japan are much higher than in England or America, but this is due to the faulty methods of distribution, not to taxation."

It is rather a pity that officials do not agree on their figures before speaking, because Mr. Midzumachi's predecessor, Mr. Wakatsuki, made the burden of taxation 24 per cent. for national taxes and 30 per cent. for national and local taxes, and on another occasion 35 per cent., whilst unofficial economists as Dr. Honda have made it as high as 42 per cent.

I will leave the official eulogists, repeating that their statements often require a good deal of salt.

It is fair to add that the end of 1914 saw a very substantial reduction in the debt, no less than Y38,709,458 having been wiped out. Actually 68,000,000 yen was redeemed during the year 1914-15, whilst new loans totalling 29,000,000 yen were issued.

At the beginning of this chapter, written before the results for the fiscal year 1914-15 were available, I said that I did not think that Japan would ever go bankrupt. The results only strengthen that view. If the authorities will direct their energies to the development of the productive powers of the country, economize on the military and naval programmes, and insist on the strictest accountability, there is no reason why Japanese finances should not be placed on a sound foundation. The war, strange as it may appear, will give her an excellent opportunity. Markets will be available to her which she has never before been able to enter, her shipping can extend its field at remunerative rates, her exports will automatically exceed her imports, and that stay of the weak-kneed, the foreign money market, will not be so available as before. In addition she will have fresh fields in Shantung, and will receive large sums in return for the arms with which she is furnishing her allies. All of these circumstances form a favourable conjunction for the strengthening of her financial bases.

CHAPTER FIVE

FINANCE, INDUSTRY, AND COMMERCE

PART II

WHATEVER may be the differences between official estimates as to the burden of taxation, there can be no doubt whatever that the country is seriously, overtaxed. There would be also little dispute of the statement that she is badly taxed in regard to quality as well as quantity, if taxes can be said to have any quality or quantity.

The vast expenses of the Russo-Japanese war and the heavy *post-bellum* programme necessitated the discovery of new sources of revenue, and it would now be difficult, in a moment of crisis, for the authorities to find any new subject for imposition unless, indeed, a duty were charged on births and deaths, which have been described as the only moments when a Japanese is not taxed. As the Malthusian doctrine is unpopular and the race prolific, a fair addition to revenue might well be obtained.

According to the estimates 1913-14, the taxes account for ¥336,000,000, or 0·63 of the ordinary revenue, and 0·56 of the total revenue. Since 1903-4, the year before the war, the proceeds of taxation have increased 230 per cent., and since 1906-7, the year after the war, 19 per cent., according to the estimates, and 27 per cent. according to the settled accounts. Whilst a certain increase is due to the normal development of the country, by far the larger portion is due to the increased levies. The reader will observe, if he looks down the schedule, that there are only three considerable sources of revenue

—taxes, stamps, and government undertakings. Practically all the rest is book-keeping and borrowing.

In 1912, when the economic distress was very severe, Count Okuma personally conducted an examination into the conditions of the poorer classes in Tokyo, and came to the conclusion that the average income of the Tokyo labourer's family was ¥184 per annum, on a calculated family of five heads. That works out at a fraction less than ¥40 (£4) per annum *per capita*. Deducting 35 per cent. of this income for taxes, and each person gets ¥26 to keep himself for a twelvemonth. It is not to be wondered at that the slum quarters of Tokyo exceed in squalor, poverty, and despair the slums of any European city. The increase of crime during recent years has been directly traceable to the increase in the cost of living, which has been almost entirely due to the financial policy of the government. Peel once defined a Finance Minister's duty as "to make the country a cheap country to live in." In this the Japanese authorities have completely and ignominiously failed, and Gladstone's reflections on another Finance Minister's actions apply equally to them: "All excess in public expenditure, beyond the legitimate wants of the country, is not only pecuniary waste, but a great political and a great moral evil."

Taking the prices of 1900 as 100, the index prices rose by 1912 as follows:—

Rice	180	Saké	154
Barley	179	Tea	158
Rye	214	Silk	93
Wheat.....	145	Cotton Yarns	159
Salt	207	Cotton Fabrics	122
Sugar (imported)	210	Shirting	167
Sugar (imported)	196		

That a rise in the cost of living necessitates a rise in wages is obvious, and Japanese labourers obtained a very considerable augmentation, averaging from 45 to 55 per cent. The increase in wages was, however, not equivalent to the rise in prices, nor was it in proportion

to the increase in taxation. The unrest in Japan was very deep, as the large number of strikes clearly indicated, and this number would have been further increased but for the official view that strikes savour of Socialism which is *anathema* to the bureaucrats.

It is no easy matter for a Minister to finance a National Debt such as that which Japan has incurred, and it is practically impossible for him to enforce, even if he could devise a programme which should distribute the burden evenly. It is very difficult for foreigners to realize the forces in opposition to a liberal financial scheme. A Minister of Finance, on entering office after the war, had to find an enormous annual sum, and on looking round for sources of revenue, had to strike out many of the most suitable for fear of offending influential persons or damaging vested interests. He was obliged to adopt the most expensive methods of taxation, namely the indirect, because he wanted to make his impositions as little obvious and as painless as possible to the payer. It was for this reason that the heavy tariff, the transit tax, the monopolies and other obnoxious but ill-defined burdens were levied. If I take a railway ticket from Tokyo to Yokohama, I do not worry that 5 per cent. of the fare is going into the government's pocket. I have got to pay the fare in order to get to Yokohama, and the ultimate destination of my cash is of no importance. Equally I spend 30 sen per diem in tramcar tickets, and six of those go to the government. My coachman receives ¥20 per mensem, on which he has to keep a wife, a sister, and two children, and pay ¥5 per mensem to his employer. On the food for himself and family he has to pay ¥1.85 per month in duty. He spends 36 sen a week on tobacco for himself and his women, which is exactly double what the same quantity of better quality tobacco cost in 1906. His *kimonos* cost him 45 per cent. more than in 1906, and 50 per cent. of the increase goes to the government in duty on raw material, in the consumption tax on textiles, and in the business tax on manufacturers and dealers. The average increase

in my coachman's cost of living since 1906 was over 100 per cent., and his wages had gone up only 40 per cent. Before I went out to Japan the Chief Accountant, basing his estimate on the figures of 1903, informed me that I could engage a good translator at Y20 per month. The lowest figure for an unqualified man was Y45, and eventually I had to pay from Y60 to Y75.

It is not difficult to diagnose the causes of this increase in the cost of living. The burden and system of taxation are mostly responsible. Indirect taxation is expensive, inequitable, and conducive to evasion. In indirect taxation the burden of proof is on the government, and necessitates an army of officials to assess and collect duties. But its greatest claim to expensiveness is in the check it imposes on manufacturers. Sixty per cent. of the customs duties are collected on raw material, and therefore manufacturers are penalized with those duties before they can commence operations. When in addition foodstuffs are taxed for the benefit of the agriculturists, a further imposition is placed on industry, because wages are based on the cost of food. As if this were not enough, a consumption tax of 10 per cent. *ad valorem* is placed on the goods before they leave the warehouses,¹ a tax of 12/10,000 is charged on wholesale distributors, and 36/10,000 on the retailer, in addition to a rental duty of 9 per cent. on premises, and a Y2 poll tax on every employé. When all this has been allowed for income tax, varying from 4 to 13 per cent. is charged on the profits. All this succession of imports eventually lands on the shoulders of the man in the street. There is no form of indirect taxation yet devised which does not in the end get paid by the consumer, and Japan is no exception.

It is an ancient saying that what is the government's business is nobody's care. In Japan, as elsewhere, to evade the tax collector is a meritorious action, and the naïve statements made by Japanese officials in London that the natives like to pay taxes, and voluntarily do so

¹ Textile goods.

without hint or sway, delightfully pictures things as they should be, but not as they are.

Direct taxes count for very little in the fiscal scheme. The land tax, the income tax, and the business tax are the three most important, and it is in connection with the last two that there is most complaint. There has been, during recent years, a readjustment of the income tax, and a raising of the untaxable income to Y400 per annum. Those most severely hit by it are the professional middle classes, whose incomes, ranging from Y1,000 to Y5,000 per annum, are taxed from $3\frac{1}{2}$ to 7 per cent.

There is no doubt that the big fish escape from the tax net, owing to the extraordinary system of feudal patronage. The *Osaka Asahi*, in 1912, ransacked the tax books and registries with a view to finding out who were the richest men in the kingdom, and the investigations revealed that there were 501 millionaires in yen in Japan, and 24 millionaires in sterling. A very simple calculation, based on the minimum figures, put the income tax due from millionaires at Y8,700,000. If it were assumed that this amount really was collected from these 501 millionaires, then they were paying 25 per cent. of the total income tax of the country, which certainly appears to be unreasonable. This led to further investigations by the press sleuths, and the publication of the income-tax payments of some of the most prominent men in the country. Princes, marquises, and counts, the registered proprietors of millions were found to be paying paltry sums of from Y50 to Y500 as their contribution to the Exchequer. One revered Elder Statesman, whose financial genius is universally acknowledged, and who has made himself and his sons very rich men, returned Y350. As the press took very good care to point out, what was wanted was not so much a readjustment of the income tax as a strict enforcement of its terms on the upper classes. But how difficult such an enforcement is in a country where official advancement is mostly due to patronage and rarely due to merit!

If the burden of taxation and its methods is a principal

cause of the economic crisis, the laxity of official accountancy is a contributory cause. If the history of graft in the Meiji Era could be written, I think that the world would stand aghast at its magnitude. It is the most extraordinary paradox in Japanese affairs that a nation, which is capable of the marvellous devotion and self-sacrifice which the Japanese have shown at various crises of their history, should be so oblivious to any regard for honesty in dealing with public funds. Throughout the Far East 'squeeze' is a part of every transaction. In China this has been so much the case that the late Count Hayashi devoted a considerable portion of his *Memoirs* to a consideration of the question, and came to the conclusion that commissions in China must be regarded not as illegitimate and immoral, but as a regularized addition to salary. Chinese officials were so poorly paid that perquisites were a recognized medium for increasing their appointments. Although the Count acknowledged the commission habit to be a custom of the neighbouring country, he could not take the same view of similar practices in Japan. Nevertheless, he was quite aware of the prevalence of the habit in his own country, and feared unhappy consequences from it.

It is very difficult to estimate to what extent a similar view of the prevalence of graft in Japan should be taken. The idea that public funds are held and expended under trust for the nation is comparatively new. Public funds were originally regarded as fair game for officials, and the higher the rank of the official the bigger the pickings he might anticipate from his tenure of office. But even if in the early days of Meiji commission were a more or less recognized addition to salary, such a view could not possibly hold once a form of parliamentary government had been initiated and the national accounts were submitted for the approval of a national assembly. If graft was still to be the perquisite of statesmen it would be impossible to draw up estimates, because the relation of the funds to their purposes would vary in accordance with the appetite of the officials concerned.

Recent disclosures have for some reason given the outside world a shock, and there is a distinct tendency to believe that Japan is degenerating. There is really no reason for such a belief, which is in reality a reaction due to the fictitious level to which the Japanese character has been boomed by the activities of the Press Bureau. If the world is constantly having it dinned into its ears that Japan is an earthly paradise where patriotism, honesty, and bravery are rampant and vice is unknown, then, when the world hears of some unsavoury scandal, it jumps to the conclusion that the barriers of virtue have been broken down, and that wickedness is at last obtaining a hardly won entry. Now graft is no more a new crime in Japan than in England, where an awakened conscience has coined a new name for an old offence. It is as sure that graft was known in the days of the Old Testament as that justice was bought and sold in the days of Queen Bess. That Hiram, King of Tyre, got a rake-off on the cedar logs of Lebanon is as probable as that Francis Bacon received £40,000 from the Goldsmiths Company. Japan has been no different from other countries. Before the grant of the Constitution the administration, oligarchic and uncontrolled, asserted to itself the right of saying who should and who should not be privileged to supply the nation's wants, and its decisions in most cases were regulated solely according to the percentage which the contractors were willing to put into the pockets of the officials. Since the Constitution matters have gone a little further, for Japan has adopted, with Western improvements, also that organized intimacy between privileged business and politics which is so prominent a canker in modern civilization. The subjection of the legislation to private rather than to public interests is the outstanding feature of Japanese politics. This, added to the improper relations existing between the administration and the markets has created a feeling of pessimism and hopelessness, which would predicate badly for the future, if it were not that below the surface there are unmistakable signs of an awakening

sense of responsibility. The tendency of the day towards internal affairs is to demand and to obtain facts. Convention, though still strong, is becoming less and less a binder on the truth.

If a Minister of State is a grafter and a thief his position is no longer recognized as a reason for condoning his offences. The public money is the money of the people, paid for certain definite purposes, of which the lining of official pockets is not one. It is a criminal offence to steal that money, and it is equally a crime to knowingly permit such theft.

The great fortunes of Japan can be grouped under three heads, the honest, the near-honest, and the frankly dishonest. Among the first come the great landowners and feudal chiefs, whose vast hereditary domains are the basis of their wealth. 'With them, too, may be reckoned those merchant princes whose fortunes have been amassed by labour and sagacity, by the exploitation of the resources of the country, by the import of raw materials and by manufactures. Of the near-honest are those financiers whose bank accounts have been created by treading the boundaries of the law, by watering stock, by bulling and bearing the markets through their connection with officials, and by their manipulation of securities and their operations on the exchanges. Amongst these are many whose fortunes are due to excessive tariff protection too often passed *ad hoc*, or to a particular skill in milking the Treasury of subsidies. Amongst the third class are those contractors and officials whose balances have depended solely on favours received and given, whose bribes have procured orders, and whose orders have been exchanged for bribes. These owe their rank and standing simply and solely to money filched from the people's pockets or stomachs, and, curiously enough, they display an ingenuous pride in the slimness of their dealing. Of this class there has been an increasing development with the years. It must be admitted that the steadier heads of the country are those now in the grave or passing into retirement, worn out by the nervous

energy of creating a new land. The younger generation are too often amiably incapable or incipiently degenerate. The struggle to live is far more severe, and money is to them the only means of comfort, let alone luxury. That matters will right themselves in the end I do not doubt, but it cannot be denied that the lack of a national tradition must severely handicap a country which has at a bound reached from obscure mediævalism to up-to-date modernity. The self-reliance which follows a struggle for existence is lacking, and self-conceit is but a poor substitute. A nation whose Magna Charta is a birthday present can only realize with difficulty the meaning and responsibilities of freedom. A sudden transition from Lockhart's counter to the Ritz Hotel would upset the steadiest stomach. A people which jumps from the fifteenth to the nineteenth century must miss the prefatory but most necessary developments of the intervening ages. Undoubtedly corruption is rife throughout the country; officials, manufacturers, merchants are mostly grafters, not by nature but by the sequence or lack of sequence of events. I believe that this condition is due not so much to immorality as to unmorality. Just as the political system is rotten because of the lack of education in things political, so lack of education is to a great extent the cause of trade and financial immorality. Education is not an end in itself. It is a means to acquire wisdom and judgment. It is these latter which are so much wanted in Japan now.

The absolute disregard of the sanctity of public funds has been exemplified so often during recent years that I do not propose to offer many proofs. The Dai Nippon Sugar Scandal was an illuminating example of the connection between politics and business, and proved clearly enough that Members of Parliament were as willing to sell their own votes as they were to buy those of their constituents.¹

The Imperial Household Scandal of 1914 was particularly noteworthy, inasmuch as it proved that even

¹ Uehara, *The Political Development of Japan*.

the propinquity of the sovereign and the semi-divine surroundings of the palace were no defence against the malversations of officials or the intrigues of contractors. The full details of the scandal never came to light, as it was not considered proper to humiliate by a public trial, an official so near the monarch as the Minister of the Household. The alleged facts of the case were that the Minister of the Household, Count Watanabe, and the ex-Minister, Count Tanaka, were charged with having received a commission over the sale of the Suma Imperial Palace, which had been purchased at an exorbitant price on behalf of the Imperial Household. There were other charges in connection with contracts for work at the Imperial Palaces. On the day of the death of the Empress-Dowager, the Emperor and Empress left Tokyo hurriedly for the death-bed at Numadzu. Before leaving a council was hurriedly held at the Chiyoda Palace at four o'clock in the morning, and Count Watanabe resigned his office and went *inkyo* (into perpetual retirement), resigning the headship of his family, his orders and decorations. He subsequently attempted to commit suicide. Similar action followed by his predecessor, with regard to whom the amusing point was that he had only a year previously obtained damages against an Osaka newspaper, which had accused him of graft.

The Naval Scandal of 1914 proved the connection between contractors and government officials, and demonstrated only too plainly the manner in which orders are obtained by direct bribery.

That graft is a commonplace may be gathered from the casual manner in which it is discussed. Baron Goto, in an account of the adoption of the camphor monopoly in Formosa, describes the competition of the Mitsui and Yokohama firms, and how the tender of Messrs. Samuel Samuel & Co. was accepted. Then, he says: "I was accused of having received something from Messrs. Samuel Samuel & Co., and to have allowed the firm to 'sup a nice soup,' as the saying is. But this was not really the case!" Again, in connection with the

introduction of the salt monopoly, "I was accused of having associated with Oguri, appointed the sole agent for the sale of Formosan salt, with dishonest motives, but it was not so, and Oguri was, I believe, almost reduced to bankruptcy before the appointment became valuable."

In these reminiscences Baron Goto tells a quite amusing story of administrative methods. Before the final decision to introduce the salt monopoly was made the late General Kodama, the Governor-General of Formosa, called a meeting of all the high officials of the Government-General to hear their opinions. Kodama addressed the meeting as follows: "I have invited you here to-day to ask your views on the important question which the Administration has been considering, namely, the introduction of the salt monopoly into the island. As, however, this proposal is one of the greatest importance, it is of no value to debate it, and I therefore, by the powers vested in me, declare the proposal accepted without opposition. The meeting is dissolved. Good morning!" The Baron related that the officials were not annoyed at the arbitrary action of the Governor-General, but were extremely irritated at having to turn out in the heat of the day for a meeting which had no purpose.

Anybody who turns over the Japan papers will find abundant evidence of the irregularities in the semi-official and other financial institutions. The case of the Credit Mobilier in 1912 and 1913 forms an adequate example. I have already referred to the money lost by this bank in the bogus gold-mine at Hasami, during the Russian War. The bank also held a large quantity of the 4 per cent. Conversion Bonds, issued by Prince Katsura in 1910. These bonds had been issued at 95, and the syndicated banks undertook not to sell them at less than the issue price during a conventional period terminating in 1912. By that time the market price of the bonds had fallen to 87, and dropped a further three points on the dissolution of the syndicate, so that on about Y20,000,000 face value, the bank dropped some-

where round Y3,000,000, making a loss on gold-mines and bonds of over Y6,000,000.

The non-discovery of the loss was due to the issue of a false balance sheet by the directors. Obviously the correct thing to do was to appropriate the reserve (Y1,401,000) to pay the loss, and write off capital for the rest. No! Such a proceeding would have meant a loss of face, and as it was a semi-official institution, the government would have lost face. So the government changed the Directors, but even then did not give them a free hand. Mr. Shidachi, the new President, wished to appropriate profits until the loss was recovered, even if it meant some years without a dividend. The Finance Department vetoed this scheme, formed another syndicate to lend the Credit Mobilier a sum of Y8,000,000 at low interest, and limited the dividend to 5 per cent. per annum until such time as the losses were written off.¹

The Kitahama Bank Affair, with a loss of Y8,000,000, is another failure which is closely connected with official finance, and the 4 per cent. Conversion Bonds.² Inspection of banking institutions is a very proper measure, but undue intimacy between the government and the credit organs can only be severely reprobated. In Japan the government have created a chain of banks in the closest touch with itself for the sole purposes of absorbing official paper and importing foreign money. It is interesting to note that Prince Katsura in 1914 intended to appoint the President of this bank to be President of the Bank of Japan.

One of the most amusing instances of high finance which I came across was when one of the provincial

¹ The Minister of Justice, Dr. Okuda, in answer to a question in the Diet on January 29, 1914, said the Directors had been guilty of issuing a fraudulent balance sheet, but their prosecution would have caused inconvenience, a reply which he amplified on January 31st by saying that prosecution had not been undertaken because of the adverse influence the prosecution of such high officials would have in economic circles.

² The President and all the leading officials of this bank were arrested in 1914 on charges of fraud and embezzlement.

semi-official banks wanted to issue debentures in London. The representative of the English group went down to investigate the proposal, and found the books in apparently good order. He inquired as to the location of the reserve fund of over a million yen, and was informed that it was invested at 8 per cent. interest.

Further inquiry revealed that it had been lent to the son of the President, who had given as security a *post obit* on his father's life !

The following table gives the progress of Japanese trade between 1903 and 1913.

	1903 Yen	1913 Yen
Imports	317,135,518	729,431,644
Per capita	6.79	13.77
Exports	289,502,422	632,460,283
Per capita	6.19	11.94
Total	606,637,909	1,361,891,857
Per capita	12.98	25.71

The future of Japanese industry and commerce is one of the most interesting problems at present before the world, and it must be admitted that it has given rise to considerable disquietude in foreign circles. Japanese ambition is to obtain commercial predominance in the East, and if, in doing so, she can capture a slice of the trade of the West all the better. Against this ambition no objection whatsoever can be raised ; it is a legitimate aspiration, and a good portent of the virility of the nation. How far Japan has advanced towards her goal may be gathered in part from the table on page 240.

Japan has, therefore, in ten years developed her Asiatic exports two and a half times. In the same period her exports to Europe have doubled, whilst those to America are two and a third times as great. There can be no denying the enormous progress which must have been made in Japan itself to produce such results. That imports have more than doubled during the same period

is a necessary corollary, for Japan has but few natural sources of wealth, and lack of raw material is one of the handicaps to industrial advancement.

EXPORTS TO VARIOUS COUNTRIES

	1903 Yen	1913 Yen
China	64,985,873	184,496,773 ¹
Hongkong	29,724,694	33,621,978
British India.....	8,086,798	29,873,414
Korea	11,761,494	40,429,055
Straits Settlements ...	7,108,701	10,141,558
Asiatic Russia	2,239,987	4,271,413
French Indo China ...	197,775	1,055,194
Dutch Indies	912,419	5,148,686
Philippines	1,675,519	6,283,556
Siam	73,626	1,035,293
	<hr/> Y126,766,887	<hr/> Y316,356,920

Before considering the methods by which Japan's commercial expansion has been achieved it will be advisable shortly to consider the relations with her three principal markets, America, China, and Great Britain.

As I have pointed out in the chapter on Foreign Policy, the political relations between America and Japan have been at tension for some years. Although there have been moments in the past when the bellicose clans might have wished to try their luck in the field, there is no reason to believe that there is a general feeling in Japan towards war. That there is a strong undercurrent against America is very true, and this often swells to threatening limits, but no statesman in his senses could dream of war, for America distinctly holds the whip hand. At present, and for many years to come, that country is and will be Japan's most important trade connection. Two of Japan's most important industries are practically monopolized by the American market, and one of them is a luxury, for which the demand would greatly diminish in time of stress. Japan ships annually to America two-thirds of her raw silk and four-fifths

¹ Including Kwantung Provinces.

of her tea crop, which, with other items, make a total of one hundred and eighty million yen per annum. War with America would throw idle half a million silk weavers, would ruin hundreds of thousands of sericulturists and tea-planters. On the other side of the account also Japan would suffer, not America. America ships to Japan every year goods to the value of ¥125,000,000, of which raw cotton represents sixty-four millions, or 25 per cent. of the total import, rather more than half of the petroleum import, and nearly half of the imports of machinery and metal manufactures. It would not be exaggerating to say that stoppage of trade with America would spell ruin for Japan.

As regards China, the total imports are ninety-two million yen (including Kwantung Province, which, though Japanese territory, is commercially only a shipping district for Manchuria). The exports to China are one hundred and eighty-five million yen, or double the imports. China is becoming Japan's greatest market, and from her Japan draws great quantities of raw material. In geographical propinquity no country is better situated than Japan to exploit the China market. In many other ways Japan possesses advantages no other nation can boast, but it remains to be seen to what extent she has discounted those advantages by an aggressive diplomacy. Politically, without doubt, Japan is hated in and by China, but that will in no way affect her determination to achieve predominance in that country. The late Mr. Midzuno, Councillor of Legation at Peking, in the only conversation I had with him, laid great stress on the commercial ambitions of Japan in China, but he admitted that those ambitions could only be fulfilled by a break with Great Britain, her ally. I remember quite well his comical smile as he said: "If we become predominant in the Yang-tse, we will be so unpopular in London." Japan regards Great Britain as a political and not as a commercial ally. If they can cut our mercantile throat in China, they will do it with the greatest pleasure and pride.

Great Britain and her colonies still remain a most important factor in Japanese commercial development. Exports and imports between Japan and territories under the Union Jack are :—

	Exports Yen	Imports Yen
Hongkong	33,621,978	1,294,749
Straits Settlements ...	10,141,558	5,205,014
Great Britain.....	32,869,657	122,736,870
British America	5,090,018	1,839,426
Australia	8,637,974	14,943,145
Cape Colony	474,625	45,595
Egypt.....	1,371,112	7,143,195
British India.....	29,873,414	173,173,861
	<hr/> Y122,310,336	<hr/> Y326,381,955

The whole of the imports from British India consist of raw cotton, rice, flax, and oil-cake. Egypt supplies raw cotton, Australia wool and live-stock, the Straits rubber and tin, and Great Britain wool, iron, rails, steel, machinery, ships, and Manchester goods. Japan sends rice and tea to Canada, marine products, coal, cotton goods, fibres, and matches to Hongkong, camphor, silks, cotton goods, and coal to India, copper, silk habutai, and porcelain to Great Britain. If ever a country was dependent on the Anglo-Saxon races for existence Japan is. If America and Great Britain were to break off commercial relations with Japan that country would be converted almost instantaneously into a huge workhouse. And this not only from the reason that they are large customers, but from the fact that they control the sources of raw material on which Japanese industry is built up. Where would Osaka be without the cotton of America and India and Bradford and Australian wool? How could the Mitsu Bishi, the Kawasaki, or the numerous engineering shops of Kobe, Moji, and elsewhere exist without the imports from Great Britain and America? And where would Japanese industry be to-day without British capital? That is the most paradoxical of all things in the Far East. We are lending Japan money at from 4½ to 8 per

cent. interest, to drive our own trade out of China and India. At the end of the present war one of the problems to be faced will be whether we can continue such a policy. In saying this I do not deny that this policy has been profitable to us in the extreme in the past, but the war is going to alter many things, and not least of all the terrific financing which it necessitates will result, and has already resulted, in the liquidation of many foreign investments, and a consequent decrease in the invisible income of the country.

The "Yellow Peril" is a favourite theme for political writers, and to a certain extent it is capable of fulfilment. It may, however, be conveniently divided under two heads, political and commercial, and it is the latter with which we are concerned in this chapter. The advancement of Japanese trade in China gave rise to a feeling of trepidation amongst European thinkers that Western commerce was fated to be expelled from China by Japanese competition. It is to be admitted that there were superficial reasons for that belief. I do not think, however, that at present, at any rate, the reasons are more than superficial. Equally I do not believe that Japan normally can be a commercial rival of unusual strength. Fifteen or twenty years ago if Japan had devoted herself to commercial expansion, and eschewed political aggression, things might have been very different. Japanese commerce would have developed much faster than it has done, and she would have retained all the immense advantages of cheap labour which she then possessed. Cheap money, cheap labour, and a ready-made market would have enabled her to rise in an extraordinarily short time to be the commercial autocrat of the Far East.

The most dangerous point about Japanese competition is its official character, a point which our supermen in Downing Street, studying affairs in the intervals of dozing, rarely get sufficiently far with their reading to realize. British trade is not only up against Japanese trade, but also against the Japanese Government and the whole

Japanese nation. If I dare to criticize British officialdom in its relation to trade, it is because I have had twelve years' experience of it in various parts of the world, and have had innumerable examples of its crass ignorance and brutal stupidity in all that appertains to commerce and industry. As I write I have a letter before me from a British Consul-General, since retired, in which he says : "For years I wept bitterness over the ways of Downing Street, but now I recognize the truth. Honour thy Consul-General and the Board of Trade, and when thy day comes, thou shalt be as fit a recipient of a decoration and as tasty enough a morsel for the worms as any." Japanese individuals and Japanese corporations are only the outward and visible signs of the efforts of the State to organize and control all commerce and industry in the Far East.

It can be said, with absolute truth, that not a silk-worm is fed, not a shovel is digged, not a spindle revolved, or a ship loaded without the explicit care and advice of the Tokyo authorities. If money is required on easy terms for foreign trade, the Yokohama Specie Bank has a special fund from the government for this purpose. If ships are required to compete with her allies, the government subsidizes their building and running. If a new industry is to be started, the government will give a grant-in-aid and penalize foreign competitors. If exports fall below sample, the authorities impose an inspection scheme. If manufacturers want to use trade secrets from abroad, government students are sent to learn them. The Imperial Household takes an active interest in commercial development, and is a large shareholder in many of the most important concerns in Japan. I have authority for stating that the Imperial investments in industrial and commercial institutions exceed three and a half million sterling.

The extent of government interference in industry and commerce is quite extraordinarily underestimated by foreign visitors. Financial favours for political support is the usual programme of political candidates and of

the government. The heavy tariff is a bonus to manufacturers ; subsidies to shipbuilders, steamship corporations, export societies, and emigration companies are well recognized forms of encouragement ; in certain export trades specific bounties are paid, and rebates offered on goods shipped in Japanese bottoms and over Japanese lines. In addition there are a number of heavily capitalized and mismanaged government factories which seldom secure a profit, and the annual appropriations for which are to cover a deficit. Further there are a host of semi-official concerns receiving financial aid from the Budget, and which together form a very serious burden on the taxpayer. To make matters worse the government, now presided over by Count Okuma, has gone a step further in adopting measures for interference in the rice and silk markets, when the prices of those commodities fall, measures so plainly calculated to pander to the agricultural classes for vote-catching as not to require discussion. That Count Okuma, the democratic hero, should adopt measures which perpetuate the misery of the working classes, and deliberately play into the hands of the banks and rings, which have for years been cornering the food supplies, is a striking commentary on the real views of that eminent orator. State-aided industry is one of the great dangers of Japanese competition, but, as I have said, one of its weaknesses. It creates an atmosphere of prosperity, which is very often not justified by the facts. One day popular pressure will insist on the withdrawal of the government aid, and the Japanese bogey will fade away to its proper perspective.

Japanese industry is peculiarly interesting inasmuch as it is represented by the modern factory system and the handicraft system, which has vanished in England, Germany, and America. Japan is one of the few countries where the two can be seen working side by side. In Kyoto you may see the older phase still in full swing, turning out excellent work of high artistic and intrinsic value. You may then train an hour to Osaka, and see the modern factories competing with those of Manchester

and Massachusetts for the markets of the East. Both systems are allied with the government. The older, the handicraft, is controlled by guilds, the latter by subsidies, tariffs, and the other eccentricities of modern industrialism.

The guilds are an important feature of Japanese society. For fuller details of them the reader may refer to the reports of 'The Asiatic Society of Japan,' and to the work of Mr. C. V. Sale and others. Their power is very great, for it is fixed by legislation. They may even enforce membership amongst traders. In 1911 they were 8,663 in number, covering sales, purchases, credit, and production. Their funds, founded on membership fees, are increased by treasury grants, the quid(s) *pro quo* for agreement with a policy laid down by the authorities. In 1913 the local governments spent ¥11,246,672 in encouragement grants for industry and agriculture, and the following table for 1913 shows the rise in the index number of these grants (1895 = 100).

Ordinary Agriculture	6,269
Cocoons and Silk.....	5,640
Tea.....	489
Marine Products	4,289
Stock-breeding.....	23,252
Forestry and Mining	56,089
Industry	2,898
Meteorological Observation	558
Shows	1,032
Reports and Statistics	349
Miscellaneous	120
Total	2,600

All over the country Sample Museums have been established, and are kept thoroughly up-to-date, and bulletins conveying very minute information of the requirements of foreign markets are circulated every day.

The factory system has, of course, been a modern innovation, but there are many mills and shops which will compare most favourably with any in Europe and

America, though as a general rule the Japanese factories leave very much to be desired, especially in the conditions of female labour. In March, 1911, the Diet passed a Factory Law to regulate the conditions of employment, but at the date of writing nothing has been done to put the provisions of the law into effect. The reason for this delay is alleged to be the lack of money, but is more likely to be the opposition of a very large and strong group of capitalists, who prefer cheap and sweated labour, and the conditions of a pigstye to inspection and regulation, and the accordance to their hands of permission to live and work in some semblance to decency. The Japanese are notoriously lacking in common sense, and the attitude of employers towards labour, and of the government towards the labour problem is abundant proof of mental *myopia*. Dr. Abe Isoo, Professor at Waseda University, writing in the *Taiyo* in April, 1914, said :—

“After repeated postponements the Factory Law Bill was introduced to the Diet in 1911. It was duly passed, but its coming into operation has been deferred pending the necessary preliminaries. Some time ago it was reported that the government had decided to put the law into operation from 1915, and the news was received with much satisfaction by those who are interested in the labour question. They were, however, greatly disappointed by an official announcement towards the end of last year that the operation of the law has been indefinitely postponed.

“The object of a Factory Law, needless to say, is the protection of factory workers in general, and women and children in particular, by effecting an improvement in the conditions under which they are employed. Japanese capitalists, however, regard the Factory Law as a terrible bugbear that must be kept at bay at all cost. They think that a shortening of working hours will result in a reduction of output, and that any amelioration in the treatment of workers means a lot of expenditure. They do not understand that improved working

conditions means increased production, as has been demonstrated in Europe and America. The capitalists, as a result of their strenuous efforts, introduced such sweeping alterations in the Bill as have made the Japanese Factory Law the most imperfect legislation of its kind in the world. Still, we waited for the early operation of the law, since a little improvement was better than none at all. Our hopes, however, have been shattered by the indefinite postponement of the operation of the law."

The Professor adds some interesting comments on Japanese character, as follows :—

"Japanese people, as well as the government, seem to be under the misapprehension that a restriction of working hours would result in decreased production. It is a characteristic peculiar to children and the ignorant to place more importance to quantity than to quality. This trait is discernible in every walk of active life in this country. In government offices and public companies it is usual to spend from eight to nine hours upon work that could be done in five or six. People are required to attend office promptly at a certain hour, and to leave at a certain hour, though two or three of the intervening hours may be wasted in smoking and reading. The amount of work done, or the quality of it, is not taken into consideration. The same is the case with school education. There is no University in the world where thirty hours a week is devoted to lesson-giving. The schools, as well as students, give more importance to quantity than quality, and so they give and listen to more lectures than students can possibly digest. The promoters of political meetings are also guided by this principle. One or two speakers, however well known they may be, will not be sufficient to attract a large audience, so a long list of second- or third-class men is therefore advertised, with the result that the meeting is sure to be thronged. The Japanese preference for quantity rather than quality is apparent here as elsewhere.

"The theatre may be cited as another example. True, theatrical performances nowadays do not last so long as they used to; still, a performance continues for six or seven hours at a stretch, otherwise the audience is not satisfied. These are only a few examples showing how much importance the people attach to quantity rather than quality. The same tendency is evident in every sphere of national life.

"Working hours and the amount of production will no doubt keep pace up to a certain point, but beyond this all proportion is lost. It is therefore a mistake to think that long hours result in the turning out of a proportionally larger amount of work. There are several instances where the shortening of working hours has actually resulted in a larger output. It is evident that sixty-six hours work a week for children under fifteen years is too severe a strain, and it is certain that employers could obtain better results by a curtailment of working hours.

"The life of mill operatives in the factory quarters demands immediate and thorough improvement. Japanese factory workers are living under conditions which are inferior to those of slaves in certain respects. Slaves had at least a guarantee of living, which the present-day worker lacks. As long as he or she is able to, work is exacted to the utmost limit, as one gets money's worth out of a hired horse. But the instant the worker breaks down, owing to overwork, merciless eviction follows. In fact, factory hands are treated worse than beasts of burden. Farmers treat their animals with care and sympathy, because it is to their interest to do so. It is not so, however, with the factory owners. They work their employes as hard as they can, and if they drop dead or are incapacitated their place can easily be filled by new-comers.¹ Employers, therefore, do not find it essential to shorten hours of work or pay attention

¹ Whatever *bushido* may be in military affairs, it is certainly not carried into business or industry. The Factory Law was promulgated in 1915, and is now more or less in operation.

to the moral and physical well-being of their employés. Unless an amelioration be introduced to the existing state of affairs by the operation of the Factory Law, a serious crisis will be brought about in the industrial world."¹

At present the employment of children under twelve years of age is common, and they have to work for fourteen or fifteen hours, and are in many cases subject to sickening ill-treatment from the overseers. I have heard of two or three cases where foreign employés have thrown up their jobs on account of the physical brutality employed towards women and children in mills. In one case, at Osaka, an overseer knocked a girl down, then grabbing her by the back of her *kimono*, threw her across the room. As she fell her *kimono* caught in some machinery, and the girl was killed. Certainly the man did not intend such an unhappy result, but a verdict of accidental death was merely trifling with the truth. The following extract from *The Japan Chronicle* gives a ghastly insight into the life of these tens of thousands of women, the conditions of whose service is infinitely worse than those surrounding the prostitutes of the *yoshiwara* :—

"The gloom of factory life is graphically depicted in a lecture delivered by Dr. Ishikawa at a meeting of the Kokka Igaku-ka (National Medical Society). He said :—

"Female workers in Japanese factories number 500,000, of whom 300,000 are under twenty years of age. Out of this army of women operatives 400,000 are engaged in the spinning, weaving, and dyeing industries. Seventy per cent. of these women live in the factory quarters, which means a sort of confinement. Work in the raw silk factories lasts thirteen to fourteen hours a day on an average, and that in the weaving mills fourteen to sixteen hours. The remaining hours are devoted to sleeping, bathing, toilet, etc. It is not surprising that the health of these young women is seriously injured by such con-

¹ *Japan Weekly Chronicle*, May 7, 1914.

ditions. With regard to the spinning mills, female workers are put to night work every seven or eight days. Night work affects the workers' health so severely that at the end of a week they lose considerable weight. This loss may be partly recovered during the succeeding week on the day shift, but the night work, though intermittent, ultimately wrecks the health of the workers. None can stand the strain for more than a year, when death, sickness, or desertion is the inevitable outcome. The consequence is that 80 per cent. of the female workers leave the factories every year through various causes, but this loss is immediately replenished by new hands.

"The food provided by the factory boarding-houses may be tolerable to the class from which the women are recruited, but as to the other accommodation it is simply sickening. The women on the night and day shifts are obliged to share one bed, which is neither aired nor dusted, and never exposed to the sun, since as soon as one leaves it, another takes her place. Consequently consumption spreads among the operatives like an epidemic.

"The number of women who are recruited as factory workers reaches 200,000 every year, but of these 120,000 do not return to the parental roof. Either they become birds of passage, and move from one factory to another, or go as maids in dubious tea-houses, or as illicit prostitutes. Among the 80,000 women who return to their homes, something like 13,000 are found to be sick, about 25 per cent. of them having contracted consumption. The death-rate from consumption of female factory operatives is, as reported to the police, 8 per 1,000; but the death-rate from the same disease, after their return home, is 30 per 1,000."

Japan is making this terrible sacrifice in order to increase her exports abroad. The revolting nature of factory life is gradually dawning on the dull intellects of country folks, and the recruiting of female workers is becoming more and more difficult. Those who have

travelled in the interior bear indisputable testimony that consumption is spreading in localities that had never known the malady before the advent of factories in the country. Consumption had been contracted and brought back to the villages by the factory girls, to do its fell work among the country people. In such circumstances it is not surprising that the country folks have been led to regard the factories as terrible places, to be shunned at all costs. In certain villages of Niigata prefecture the headmen and police have formed a combination to prevent women leaving their homes for the factories. In Akita the prefectural authorities have publicly prohibited the recruiting of factory girls by labour agents. The famine in the north-east has no doubt been a windfall to the recruiting agents, but it is probable that a few years hence the supply of female operatives will be practically exhausted. If this comes to pass it will mean a serious industrial crisis.

In a series of articles contributed to the *Westminster Gazette* in 1914, Miss Violet Markham skilfully sketched political and social conditions in China and Japan. Dealing with the factory system, she says that in Japan the conditions are open to "very grave criticism," even when every allowance has been made for the difference between Japanese and English standards. Discussing female labour, Miss Markham said :—

"Generally speaking, Japanese women engaged in the cotton trade work under contracts essentially servile in character. They are indentured for a period of three years, and live in compounds attached to the factory. During this term they seldom leave the compound, and cannot, save under very exceptional circumstances, break their indentures. Sunday, of course, is not kept in the Far East, the principle of one day's rest in seven does not obtain there. The cotton factories work day and night on shifts of twelve hours each, and there are two holidays in the month, more, one suspects, for the needs of the machinery than that of the human beings. The average daily wage of the female silk spinner is 30

sen (say sevenpence), and of the female weaver 25 sen. But from this sum 9 sen is deducted daily for food."

The conclusion drawn that a continuance in the present path will lead to 'inefficiency, failure, and a wholesale wreckage of Japan's greatest national asset—the health and physique of her women' is a very just one.

There is a general delusion amongst foreigners that Japanese labour is very cheap. Doubtless twenty years ago it was. To-day there is only a fractional difference between costs in Japan and abroad. Wages in Japan are based on the price of commodities, the most important of which is rice, the staple food of the whole nation. For many years now the average price of rice has been mounting, partly owing to the production being insufficient to meet the requirements of the country, partly owing to the manipulations of the brokers, and partly to the tax on foreign imports, a sufficiency of which would bring the price down with a run. Commodities having gone up in value, wages have also had to be raised, though the depreciation in the purchasing power of the yen has to a certain extent neutralized this concession. For example, a carpenter who in 1903 received 58 sen per diem, in 1914 was getting ¥1.05. This certainly compares unfavourably with a British carpenter's 8d. per hour for an eight hours day, which is 5s. 4d. per diem. But it requires three Japanese workmen to get the same output as one foreigner, so that our three Japanese carpenters will actually cost more (¥3.15) than our one British workman. In the cotton mills the proportion is more than three to one, and touches four to one. Not only has the price risen, but it is continuing to rise, and will continue to do so, in spite of the abnormally low price of rice in 1915, which may cause a temporary reduction.

The cost of Japanese manufacturers is increasing in other ways than the actual cost of labour. Though raw materials escape lightly in the tariff, yet they have to bear heavy taxes in invisible ways, in the subsidies on

shipping, in consumption and other imports. In machinery Japan is heavily handicapped. Her technical education is very backward, and everything mechanical gets badly knocked about. I am assured by competent engineers that the life of a machine is shorter in Japan than in any other country. I am aware of a steel foundry in which foreign interests are large, where the machinery has had to be practically replaced within five years, not worn out, but racked out. A motor-car rarely lasts over two years in Japanese hands. In one wool mill I have seen machines to the value of thousands of pounds idle, and had been idle for weeks, because the essential parts had been ruined by carelessness. A Japanese super-Dreadnought had four hundred tons of armour-plating cut out of her, because the wrong blue-prints were sent to England. Another one received a set of condensing engines, a size too large, as one might say, owing to a similar mistake. The director of one concern bought a three thousand pound machine because he liked the look of it in the photographs, and regardless of his factory being too small to admit it. I knew an Englishman appointed manager of a Government foundry, whose first act was to close the place for a month to allow it to be cleaned out and the machines scrapped. The Hon. W. Redfield has related how he arrived at a village, where there was a cotton mill, full of modern machinery, and with nobody to work it. The Congress man took off his coat and showed them.

On the other hand there are factories and yards second to none abroad in equipment, intelligence, and products. The Mitsu Bishi at Nagasaki is one, the Fugita mines another, the Kawasaki Dockyard and the Kanegafuchi Cotton Mills are other examples.

It is not to be wondered at, therefore, that Japanese manufactures are very unequal in quality. It is, therefore, impossible, or at least unwise, to generalize too freely. One yard will turn out a liner equal to Clyde standard, another will turn out a sister ship which only keeps the seas, thanks to a couple of thousand tons of

pig-iron ballast. One silk factory in Kyoto will turn out fabrics which are a delight to see and purchase ; another in Tokyo, with an equally famous name, will deliver skimmed and watered stuff. Local conditions of credit, purchase, labour, and taxes, and above all tradition, will account for a tremendous variety in the production.

Japanese tradesmen and merchants have a bad reputation in commercial matters, and the statements of Viscount Oura, Baron Makino, and other Ministers and officials are proof enough that the reputation has been deservedly gained. The excuse so often advanced, that Japanese traders were originally a low-class of Japanese whose example has set the fashion is not only foolish but untrue. Anyhow to-day the aristocracy is so deeply involved in trade that the excuse no longer avails, though the complaint still holds good. At the final meeting of the Nippon Syndicate, Limited, in London, the Chairman said that the reason for the winding-up was due "to the widespread unreliability of the Japanese nation in commerce, no less than to the reluctance of our allies to admit British enterprise to any share of the resources of the Far East. The selfish policy of the Japanese has reduced the doctrine of the open door to nothing more nor less than a fiction." For trade-marks the Japanese have no respect whatsoever. The 'Black and White' trade-mark is fraudulently applied to whisky made in Osaka, and the courts refused protection to the foreign owners, on the ground that anybody who sampled the two brands would immediately be able to tell the difference. Sir Claude MacDonald, G.C.M.G., lately Ambassador at Tokyo, wrote that 'half an hour's walk in Tokyo will discover from ten to twenty imitations of British trade-marks.' Professor Kimura, Ph.D., dealing particularly with electrical industries, said : "Foreign inventors by no means get the protection for their patents which they ought to get in this country." The same applies to other classes of inventors. The Japanese market is a growing one, and patentees should obtain protection in that country

by taking out patent and confiding their interests to capable *foreign* agents to prevent infringement. The same applies to trade-marks.

In 1913 a cargo of tinned crab from the Hokkaido was rejected by the Seattle authorities as unfit for human consumption. It was brought back to Japan, offered to an Indian agent and refused, shipped on commission to Calcutta, and rejected by the health authorities, and finally sold off in Java. The evidence of Japanese commercial immorality is overwhelming, and it will require a great deal more than ministerial platitudes to correct it. On the other hand there are great and small firms there with whom it is a pleasure to deal. Japanese commercial morality at its best is equal to the best in any country. At its worst, and the black sheep undoubtedly predominate, it makes even the Japanese Consul-General in San Francisco 'feel as though I wanted to hide myself for shame.'

What may the future be for Japanese industries? Cotton, coal, and silk are in all probability the three industries in which Japan might hope to compete with the West for the China markets.

One of the most modern industries in Japan, cotton spinning, is now one of the most important, and provides the second largest item in the list of exports. The first mill was established in 1868 by Prince Shimadzu, head of the Satsuma clan, who imported the necessary frames and spindles from America, smuggling them into Japan by way of the Loochoo Islands. The object of starting the industry was the ever-recurrent one of checking imports of foreign goods, an intention further indicated by the introduction of cotton growing. A certain development was obtained, but the farmers were unsuccessful with the new plant, and it was always cheaper to import foreign cotton yarns, which were also of superior quality.

After the Satsuma rebellion a protectionist policy was introduced. A number of spinning companies sprang up, but until 1887, when Indian cotton was first imported,

they met with little success. From 1893 Japanese yarn figured in the export lists. From the time of the Chinese war a steady development set in. The Chinese indemnity provided abundant funds, cheap freights were arranged from India, Korea became a Japanese market, the import duty on cotton was abolished, as also the export duty on yarn. The attempt to oust Indian yarn from China in 1900 failed, and the fall in silver caused a setback which was further accentuated by the Boxer outbreak. After the Russian war a further steady development set in, until in 1913 the figures relating to the industry were—

Spinning Mills	93	Male Operatives	19,428
Capital	Y66,161,273	Female Operatives	82,362
Spindles	2,212,767	Annual Days	305
Raw and ginned		Daily Hours.....	20
Cotton (Kwan) ...	78,663,993	Daily Wage (Male).....	44 sen
Yarn	67,912,083	Daily Wage (Female).....	29 sen

EXPORTS.

	Yen
Yarn—China	60,095,834
Hongkong	5,746,697
Kwantung	3,457,763
Korea	1,850,512
Philippines	670,793
Miscellaneous	1,026,451
	<hr/> 72,848,150
Fabrics—All foreign countries	11,488,994
Korea	11,054,671
	<hr/> Y95,391,815

Japan's greatest danger in connection with the China market is the establishment of the spinning industry in China, in which case the Japanese mills would soon be bankrupt. To meet this menace two steps have been taken. The one has been the acquisition, wherever possible, of mills already existing in China, or of a financial interest in the same, the other has been diplomatic obstruction of any revision of the Chinese tariff, which would raise a barrier to the import of Japanese yarn at a less

price than China could manufacture. On February 18, 1912, I wrote from Tokyo :—

“The Hua Hsuan Spinning Mill at Shanghai, and the Wuchang Spinning and Weaving Mills, have been placed under the control of the Mitsu Bussan Company, which will in future manage them. The Mitsu Bishi Company is purchasing the Chen Hua Spinning Mills at Shanghai, a concern operating 21,776 spindles, to which another 40,000 will be added by the new owners.”

“The following Chinese mills have been acquired by Japanese interests, either completely or as managers : Changhai Spinning Mills, Santai Spinning Mills, Jih Hsin Spinning Mill, Nai Wai Spinning Mill, Nai Gai Cotton Spinning Company.”

That policy of absorption has been continued since, and any one who goes to Shanghai can drive out to the Point, passing many flourishing mills, which have passed over from Chinese to Japanese control.

The proposal that the Chinese Customs duties be increased to $12\frac{1}{2}$ per cent. has been blocked by the action of Japan, which refuses to agree because such a proposal would endanger Japanese trade with China. She argues that so great an advance would proceed beyond the needs of revenue to protection. That such an attitude is consistent with Japanese selfishness needs no emphasis. As in every other international matter into which she has been able to poke her finger, only the Japanese standpoint must be regarded. For Japan to set up a prohibitive tariff is right and proper ; for any other Power to do so (even if this were intended in the case of China), is most improper, and obviously aimed against Japan. If only the Japanese would waive their egoism for a moment, to believe that there are other nations than Japan, and other interests than Japanese, and that the Foreign Offices of the world do not stay open all night to plot conspiracy against her, the prospects of quiet in the Far East would be much enhanced. That the proposed tariff revision in China may have serious effects on Japan's trade is very possible, but the additional

levy would hit other countries just as hard, and the Japanese have no special license from Heaven to receive partial treatment. The Japanese do not fear foreign competition, but what they wish to do is to deny the Chinaman the right to initiate and operate industries in his own country in the same way as they have denied him the right to construct and operate railways in Manchuria. If China can establish the spinning industry, Japanese mills will certainly be hard hit, for the competition will be most severe on the coarser counts, on which Osaka is distinctly strong. If the proposal to drop 16s. and 20s. for the finer counts is adopted, Japan will have to face sharp competition from India as well as America, which has been brought appreciably nearer to Chinese markets by the opening of the Panama Canal, besides having the advantage of using her own raw material. In cotton yarn Japan has won her way on the coarser counts, whilst in fabrics her product is quite second class. In Australia and Canada you may buy Japanese towelling at half the price of English, and wear it out more than twice as quickly. Neither as regards cotton nor woollen piece-goods did English experts, whom I met in Japan, express much fear of the native article. Manchester men unanimously were optimistic. The dependence on abroad for raw material, the low productive capacity of the workers, the temperamental and climatic differences, which count for much, the increasing cost of labour, and the heavy prime cost and annual depreciation of machinery are all factors against Osakan predominance. Stuff is produced, and plenty of it, but not fine stuff. It was generally conceded that when China begins to manufacture in real earnest she will be able not only to supply herself, but to under-sell Japan in Korea and elsewhere.

In woollen goods Bradford thinks similarly. To begin with the Japanese mills are hopelessly incapable of fulfilling the ever-increasing demand in Japan for European style cloths. The present factories, which are all heavily subsidized, date only from after the Russo-Japanese war,

Their products are vastly inferior to imported goods, and cost 1s. per yard more, even after allowing for the tariff. Again in wool it has to be remembered that patterns are most important, and the Japanese are always a couple of years behind in designing. There are a good number of fine cloths put on the market as Japanese, but all are Bradford. 'An I would,' I could tell a funny story of regiments dressed in Bradford khaki, sold in Bradford to Germany, and re-exported to a Japanese contractor, who sold it to a subsidized factory, which again sold it to the War Department as 'our specialité.' Any idea that the Japanese mills will conquer the Far East depends entirely on how far and how long China will buy inferior shoddy.

Coal is one of Japan's most important exports, but opinion is doubtful as to whether it will be able to hold the market. Up the Yangtse it has already been displaced by Chinese coal, and exporters frankly admit that the wide use of the Japanese mineral is due to the slowness of the development of Chinese mining, and to the adventitious aid of strikes. It is estimated that there are 1,200,000,000 tons of coal in Kyashu, whilst there are far larger supplies in the Hokkaido. Unfortunately only a few seams, of which the most important is the Takashima (a submarine strata discovered by the late Mr. T. B. Glover, and now owned by the Mitsu Bishi), are of first-class quality. The rest is brown lignite, a very poor calorific. In addition to the competition of Chinese coal from Hunan and Kiangsi, black coal of excellent properties, the increasing use of oil fuel will diminish, though but gradually the demand for bunkers.

In the iron and steel trades the outlook is not too prosperous. Japan has but very limited sources of ore, and for this draws on the Taya mines in China and the Tata mines in Bengal. Over the former she holds a mortgage, totalling Y15,000,000, which is secured on the annual output. It is possible ore deposits may be found in Korea, and official announcements of such a

nature have not been lacking, but so far the announcements have not been implemented by serious operations. Tied to foreign supplies, it is doubtful whether Japan can do much in the way of manufacturing for export. Such demands as those made on China recently, that railway material should be bought from Japan would, if acquiesced in, simply mean that Japan would buy abroad and resell to China at a profit, pocketing the difference. Wide advertisement has been made of the construction of super-Dreadnoughts in Japan. As a matter of fact, 60 per cent. of the parts of these ships are made abroad, and only fitted together in Japan.¹ I was immensely tickled by the relation of a foreign Naval Attache of his visit to Kure Arsenal, to see the progress made in the construction of a super-Dreadnought. Having been carefully told that everything in connection with the vessel was of Japanese manufacture, he was proceeding across the bay with the Japanese officer, who was his cicerone, when they passed a tug with two barges in tow. On these latter was a huge propeller shaft, painted in red, with the name of the maker, a well-known British firm. "What's that for?" he asked, and in an unguarded moment his cicerone replied, "For the *Fuso*!"

In copper Japan is rich, and in water she is richer still. It is estimated that there is 10,000,000 h.p. available in the country of which only 300,000 h.p. has been harnessed. As the porcelain industry is well developed, and supplies of mica are abundant in Korea, the manufacture of electrical appliances is making headway. Hydro-electric enterprises should be encouraged, and if foreign co-operation is invited on reasonable terms a great deal could be done for the advancement of the country.

In silk Japan at present holds its own. Sericulture is a side line with farmers, and is liable to severe ups and downs. There is a danger that government interference may check the further development of the in-

¹ Baron Saito in Diet, February, 1912.

dustry, but given normal conditions the weavers should be able for some time to come to meet the competition expected from China, or even that of artificial weaving threatened from America.

That Japanese themselves are pessimistic as to their industrial and commercial future may be gathered from Count Okuma's summary in the *Shin-Nihon* in December, 1911, where he said: "Cotton—extremely doubtful: coal—hopeless: iron—no future: silk—good: lacquer—already killed."

The Japanese are intensely interested in every foreign criticism of their commercial conditions, and eagerly pick up any points they can from it. In February, 1912, I sent to London a long report on Japanese industries, the whole of which was immediately telegraphed back to Japan, and a day or two later I received a call from a very polite official of the Department of Commerce, who wanted to discuss one or two points I had raised.

In September, 1914, five weeks after the outbreak of war, I was in Colombo, and in the Hotel Bristol I met the agent of some twenty Japanese firms, and of the Department of Commerce. He had two stock-rooms full of samples of Japanese goods, which would replace German and Austrian. He had samples of the two latter placed side by side with those from Japan, with tickets attached showing the difference in price and quality. He told me that in a week he had done twenty thousand pounds of business, not only with the Cingalese, but with merchants from Madras, Travancore, and other places.

The view expressed in the concluding sentences of the last paragraph, and written when the war was only a few months old, has received remarkable confirmation during the period which has since elapsed. It is not too much to say that Japan's rôle during the war of 'semi-neutral'—the expression is Count Okuma's—has worked a complete revolution in her economic conditions, and what must be a source of immense congratulation to her mercantilists, a complete reaction from adverse

trade balances to favourable ones. The value of imports fell from Y729,431,644 in 1913 to Y595,735,725 in 1914, and to Y532,449,938 in 1915. During the nine months which ended in September, 1916, the imports were Y539,405,000. Exports during the same three years were in 1913 Y632,460,213, in 1914 Y591,101,461, and in 1915 Y708,306,997, a figure which had already been increased by 5 per cent. during the nine months which ended at September 30, 1916. So that during 1913 and 1914 there was an 'adverse' balance of Y101,706,195, whilst 1915, and the first nine months of 1916, showed a favourable balance of Y372,111,059.

The supply of munitions to the Allies, principally, of course, to Russia, was responsible for a large portion of the increase in exports, no less than Y136,000,000 being traceable to war requirements. Very large increases were also registered in the shipments to China, British India, the Dutch Indies, and Australia. It is noticeable, however, that exports to these latter countries were directly due to the lack of foreign competition, owing to the blockade of German manufactures and the preoccupation of the Allied and American factories with war work. As might be expected, the lines in which advances were most marked were not those generally regarded as staple export commodities. Raw silk and cotton yarns showed important decreases. Rice, tea, copper, habutac, cotton knitted goods, and matches showed increases of considerable amount, but by far the largest improvements were in goods which hitherto had only figured in the export lists for a few hundred thousands of yen, and in which Japan had never before appeared as a world supplier. Boots and shoes, leather goods, woollens and serges, antimony, steel and iron goods, rubber goods, cement, oats and beans were all new lines of Japanese enterprise in which remarkable figures were recorded in 1915, and in which evidence of even greater prosperity will be found when the figures for 1916 are published. Of course, the change in Japan's position in

the world's economy, as the change in the comparative values of her various exports, is largely due to the abnormal conditions created by the war. How permanent those changes are to be depends very much on the economic programme of the world when peace shall be concluded. It is doubtful whether Japan will ever be ousted from the position which she has won for herself in the Chinese markets, and in the writer's opinion it would not be altogether a good thing if she could be. British India is another question, and the best public opinion in India does not wish to see Japan permanently installed in control of the Asiatic yarn markets. Sir Shapurji Broatha, for example, said recently: "India needs protection against Japanese competition, not only in India, but to prevent Indian yarn being ousted from China."

In Imperial finance great improvements have taken place as the result of the extraordinary prosperity which has overtaken the country. Marquis Okuma specifically disassociated himself from the no-loan policy, which had been adopted by his predecessors on the plea that circumstances alone could be the decisive factors of policy. As a matter of fact, economic conditions were such that there was no necessity to raise money abroad, even if this could have been done, and the Specie Reserve increased so that a positive and exact redemption policy could be initiated for reducing the outstanding foreign debt. The Diet authorized in May an annual redemption of Y30,000,000 (£3,072,000), which has been carried out each year, and a further sum of Y40,000,000 has been utilized for the past two years for converting foreign loans into internal, a remarkable *volte face* from the *régime* of Baron Takahashi, who intended to convert internal loans into foreign. In addition, the great accumulation of gold (at September 30, 1916, the Specie Reserve stood at Y621,000,000), has enabled Japan to take up numerous issues of Russian, French, and British Treasury bills, as well as to subscribe a British loan of £10,000,000 in Tokyo, all of which is excellent testimony to the

heartiness with which the Japanese authorities have identified themselves with the Allied cause.

The following from an American Consular report efficiently summarizes the situation at September, 1916. It says that, compared with last year, exports to the Far East and the South Seas increased by a little more than 46 per cent., and imports therefrom by about 20 per cent. An increase of about 40 per cent. is shown in exports to Europe, and a little more than 30 per cent. in imports from Europe. The rate of increase in exports to and imports from the United States is 79 and 73 per cent. respectively.

Exports to South America increased 130 per cent., and imports therefrom 154 per cent. The trade with Australia increased by 57 per cent. in exports, and 32 per cent. in imports. Exports to South Africa increased by 310 per cent., while an increase of 57 per cent. is shown in imports from South Africa.

The principal factors in the enormous developments in Japan's foreign trade have been :—

1. Exports of munitions of war.
2. Increased exports to the Far East, South Seas, Australia, South Africa, South America, and other places as substitutes for European goods.
3. Increased activity in the export trade of the United States, consequent upon American financial prosperity.
4. Increased imports of industrial materials.
5. Advance in the value of exports and imports on account of the appreciation of commodities due to the war.

It is stated that at the end of September Japan's gold reserve totalled 629,000,000 yen (\$313,556,500). It increased to 650,000,000 yen (\$324,025,000) on October 13th, making a new record in Japan's possession of gold specie. Of this figure, 210,000,000 yen (\$104,685,000) was held at home, and 440,000,000 yen (\$219,340,000) abroad. There are indications of a still further increase in the accumulation of specie, and the authorities expect that it will go beyond

700,000,000 yen (\$348,950,000) before the end of the year.

In no direction has Japanese progress been more marked than in the wide extension of her shipping interests. In this respect, more than in any other, Japan resembles Great Britain, and it is in this field, more than in any other, that this country will find the competition with Japan greatly increased after the war. It may not, therefore, be without interest to give a short *résumé* of the development of the Japanese mercantile marine.

Whilst it is not correct, as sentimental historians have claimed, that there was regular maritime connection between North America and Japan in the Middle Ages, it is true that until the seventeenth century there was oversea commerce from Japan to the China Coast, and during the sixteenth and part of the seventeenth centuries the Japanese carried on a considerable trade with the Philippines, Cambaya, Java, the Moluccas, and India.

The first Englishman to arrive in Japan was Will Adams, of Gillingham, Kent, pilot of the Dutch East India Company's *De Liefde*, which was wrecked on the Bungo Coast on April 16, 1600. Most of the pilots in the Dutch service were Englishmen who had sailed with Hawkins, Drake, Cavendish, and Lancaster, and of whose knowledge and daring the "Mynheers" were glad to avail themselves when they, too, decided to ignore the Papal Bull of 1493, which aspired to grant to Spain and Portugal the riches of the Indies. Will Adams was a character whose name is still honoured in Japan. Almost the last function the late Sir Claude MacDonald attended before vacating the post of Ambassador at Tokyo in 1912, was the unveiling of a monument to his memory at the spot on the shore of Tokyo Bay where the pilot landed after the *De Liefde*, patched and repaired, had been towed around to Yedo. Tokugawa Ieyasu, founder of the last and greatest of the 'Shogunates, refused to allow Adams to return to Europe, and kept him near him as his confidential adviser on commercial and foreign matters. A pilot shall not be without honour in the

land of his shipwreck, and in time Adams became a landed proprietor, lord over fivescore slaves, and a rich man with a street named after him.

It was not until 1611 that, spurred on by the news of many Dutch successes, the East India Company ordered Captain John Lewis, who commanded that year's expedition to the East, to continue his voyage from the factory at Bantam to the Island of Firando. He took his flagship, *The Clove*, appropriately laden with 700 sacks of pepper, and, with a complement of 84, including one "Japon" and four blacks, arrived at Hirado on June 11, 1613. He obtained a charter to found a factory, but, contrary to Adams's advice, located it at Hirado by the side of the Dutchmen's. Little wonder that, after ten years and a debit balance, it was closed down, and would have been forgotten but that Cocks, the factor, introduced "pottatos" into Japan. "Pottatos" are now a staple food of the country.

Shortly after the closure Hidetada, who had succeeded to the Shogunate, became obsessed with the idea that Spain intended to absorb the Far East, and that Christianity was only a means to that end. He had certainly arguments in his favour, not least of all the accusations preferred by the Dutch and English traders against their Catholic rivals. Hidetada was a gentleman who never made two mouthfuls of a cherry. Having decided that Christianity was harmful, he stopped it off good and hard. He expelled the priests, and those who objected he killed. He forbade the Christian propaganda and exterminated the converts. He then drove out all Spaniards, and, finding that the Portuguese were also Catholics, he expelled them as well; when the Governor of Macao thought that there had been a mistake and sent a ship with a mission on board to inquire, he cut off the heads of every member of the mission and of the crew, bar two cabin-boys, and sent the last-named back to assure the Governor that he had heard right on the first occasion. The English having quitted, the Dutch alone remained to be dealt with, and as they were not Catholics,

but Protestants, they were all moved to Deshima, an island near Nagasaki, where a factory was established (in quarantine, as it were), and one ship per annum allowed to arrive. So much for the foreigners and their trade with Japan. To handle his own people was not more difficult for a thorough-going autocrat like Hidetada. "If you go abroad and bring home bad habits like this 'diabolical religion,'" he told them, "you shan't go abroad at all." *Idem fecit*. A law was issued forbidding any Japanese to leave the country under penalty, if he returned, of something in oil, terminating with beheading, and, in case he should not return, the execution of all his relatives. And, further, so that no Japanese could go abroad, it was forbidden for any Japanese ships except the *Goshuin-Bune* (vessels with vermilion charters) to sail to foreign ports, and even these were withdrawn after a few years. And so that no Japanese ship could sail far afield it was forbidden to build a vessel of over 500 *koku*, or with more than one mast, or with other than a fool-shaped stern, which let the water in if the waves were more than ripples. So Hidetada regulated Japanese shipping off the face of the ocean in order to avoid the wiles of the Jesuit Fathers and to save his people from the damnations of the Renaissance purgatory.

The writings of the Dutch colonists and of the Spanish and Portuguese priests tell us a good deal of the extent of Japanese shipping interests at that time. We learn that there were 198 vessels of over 100 ft. in length which were licensed to trade abroad. We know that there were 15,000 "Japons" in Luzon, and a great number more in the Moluccas and India. We know that Davys, the Elizabethan explorer, was killed in a fight between *The Tiger* and *The Tiger's Whelp* and a Japanese merchant junk off Batavia. The Macao records tell how Japanese pirates ruled the China Seas and how the Jesuit Provincial, when he went a-visiting, had to get passports from the chief robber. Carvailho, the Vice-Provincial, in a letter written in 1615, relates how the

Japanese junks were cornering the rice trade to Manila ; how they carried four times the amount of silk between Macao and China that the Portuguese did ; and how they had driven the Portuguese out of the Cochin trade, " a most damaging traffic for us." We learn amongst other items of local gossip (and " local " in the Far East means from Singapore to Vladivostock), that in the Japanese marine were two vessels of complete European style, of 80 and 100 tons respectively, constructed under the supervision of Will Adams.

There is abundant evidence that the shipbuilding industry was at that time of important dimensions. When Hideyoshi invaded Korea in 1592 it meant the transportation of over 200,000 men from Nagoya to Fusan, and consequently the provision of several thousand vessels. Again, the losses admitted by the Japanese in the naval campaign included 500 war galleys. The warships of those days had ordinarily two masts, 30 to 35 oars aside, each with six rowers, and numerous cannon for the discharge of shot, fire arrows and incendiary missiles. From the naval point of view the victory of the Koreans on the water is of interest, as it was due to the first armoured vessel of which history tells. This ship was invented by Yi Sun-sin, Admiral of Chulla, and constructed according to the principles of high speed and armament which remain to-day the basis of sea power.

It was called the *Kwi-sun*, or " tortoise-boat." Its greatest peculiarity was a curved deck of iron plates like the back of a tortoise, which afforded complete protection to fighters and rowers. In the bow was a dragon's head of iron with open mouth, through which cannon could be discharged. In the stern was another opening in the shape of a tortoise-tail, and there were six cannon put on each side. On top of the curved deck was a narrow walk from stem to stern, and one amidships from side to side. Every other part of the curved deck bristled with iron spikes, so that any enemy attempting to board would find himself immediately impaled on a score of spear-heads. Owing to the iron deck the vessel was impervious to attempts to set it afire.

The hulk of this vessel was discovered in the sands at Ko-sun some thirty odd years ago, and formed the

subject of reports by the British and American naval authorities.

Some idea of the facilities for shipbuilding in Japan at that time may be gained from a letter written in 1620 by Cocks, the English factor at Hirado. He says :—

There is great ordinance both of brasse and iron, with powder and shott, good, cheape. And for provition of shiping either tymber or plankes, with mastes, yardes, or what else to make a shipp with good carpenters to work it, as also rozen or pitch enough, but no tarr. Also there is hempe, indifferent to make cables and them which can reasonably well work it. And iron work, neales, and such lyke, there is noe want, and smiths that can make ancors of hamer work of 20 or 30 C wight yf need be ; for such have byn made for carickes which came from Amacou to Nangasaque.

All this great development of shipping and shipbuilding was suddenly stopped when Hidetada decided that neither his own nor his subjects' souls were to be saved by the Jesuits, and accordingly put his country into quarantine for a couple of centuries.

It was not until 1853, when Commander Perry's "black vessels" opened the country, that foreign intercourse was resumed and attempts were made to revive shipbuilding and the mercantile marine. In this revival foreigners had a great share. Putiatin, captain of the Russian warship *Diana*, which was wrecked at Shimoda in the earthquake and tidal wave of 1854, taught the Japanese how to build schooners, a type of vessel which became very popular in the coasting trade. In 1855 the Dutch Government gave the Shogun a small warship, and in 1857 Queen Victoria gave him a steam yacht. In 1859 the Nagasaki Government Dockyard was opened under Dutch management, and in successive years the yards at Yokohama, Yokosuka, and the engineering shops at Ishikawajima, all under foreign management. In 1862, a small wooden warship, the *Chiyogadata*, was launched at Nagasaki. In the fifteen years from 1870 to 1885, 266 steamers were built and 531 junks and schooners. In the latter year a law was passed forbidding the con-

struction of junks of over 500 *koku*, so as to encourage the building of steamers.

In the previous year the Mitsu Bishi Company had been formed and had taken over the Nagasaki Dockyard. The Ishikawajima works had already passed to private ownership ; an Englishman, the late Mr. E. H. Hunter, had founded the Osaka Iron Works ; and in 1886 the Kawasaki Dockyard had been established at Kobe.

In 1896 the Shipbuilding Encouragement Law was passed, to remain in force for fifteen years, when it was renewed with slight modifications. The subsidy was only applicable to steel vessels, of which up to that time only two had been built in Japan. The result was a phenomenal advance in construction. Whereas in 1896 the largest vessel built had been of 1,500 tons, the first vessel ordered after the passage of the law was of 6,000 tons. Within twenty years the same yards, which once regarded 6,000 tons as a dangerous risk, are turning out with equanimity 15,000-ton liners and 30,000-ton super-Dreadnoughts and battle-cruisers. The payments under the Shipbuilding Subsidy Law of 1909 are as follows :—

	CLASS A Steamships with a minimum of 50 berths or 1 berth per 100 tons gross Yen	CLASS B Other vessels Yen
I. (Ocean-going)	23 per ton	19 per ton
II. (Near Seas).....	21 „	18 „
III. (Coasting)	19 „	16 „
IV. (Smooth waters)	14 „	11 „

The manner in which a mercantile marine has been created and developed is no less notable and creditable. The determination to make Japan a country of the world instead of one outside it was an old political argument of the *daimyo*, who opposed the rule of the Shogunate. Some of them, especially the great Princes of Satsuma and Choshu, had long carried on an illicit intercourse with foreign countries through the Luchu Islands, and

were fully awake to the profits to be made by foreign trade. The pioneers of the Meiji Era, and none of them more than the much-lamented Marquis Inouye, recognized that commercial and maritime expansion were as necessary as political or military domination if Japan were to be recognized as being on an equality with other Powers. This remains true to-day, and in no direction is the Tokyo Foreign Office more active than in finding fresh markets for Japanese exports and new routes for Japanese steamers.

It was not, however, until the early 'eighties of the last century that it was possible to devote much attention to the expansion of the mercantile marine. By that time Ito, Yamagata, and their colleagues had recognized the likelihood of Japan fighting China one day in the future. It is a cardinal principle of Japanese policy that the soil of Dai Nippon must not be polluted by invasion. The corollary is that in case of a foreign war an expeditionary force must be sent abroad. The problem to be faced was one of transportation. In 1871 the Iwasaki family had started the Mitsu Bishi Steamship Company, which was in receipt of a small subsidy from the government for its Shanghai service. A few years later a rival company had been established, the Kyodo Unyu Yusen Kaisha, and a rate war set in. The two companies fought each other tooth and nail, and the fight was considerably embittered by political considerations being imported into the controversy. Finally, in 1885, influence was brought to bear, and the two rivals lay down together and amalgamated into the Nippon Yusen Kaisha (Japan Mail Steamship Company), which remains to-day the premier steamship company of the land. At the time of the amalgamation the N.Y.K. had a fleet of 68 vessels, totalling 64,365 tons. A government subsidy was obtained for the carriage of mails and conditional on improvements and additions to the fleet. The result was that when the war with China broke out in 1894, the Company was able to hold at the disposal of the government 130,000 tons,

The Osaka Shosen Kaisha was formed in 1884, and was, in fact, an amalgamation of some seventy different owners, who had until then been endeavouring with varying success to cut each other's throats in the coastal trade. The mutual difficulty in making both ends meet brought them together in a co-operative scheme, which widened into an amalgamation as a limited company with a capital of 1,400,000 yen. The fleet at that time consisted of a hundred small coasters. The Government granted a subsidy on terms similar to those given to the N.Y.K., so that at the opening of hostilities in 1894 the authorities took up 12,500 tons from the Company, the boats being all good sea-going craft. As both the N.Y.K. and the O.S.K. owed their establishment to cut-throat competition, it might be assumed that they would in their turn compete with each other. This is not so; their spheres hardly clash. The N.Y.K. is particularly devoted to the North of Japan and the East Pacific coast-board, whilst the O.S.K. is essentially interested in the home provinces, the fertile and industrial centre of which Osaka, Kyoto, and Nagoya are the capitals.

Up till the period of the China War the steamship services abroad were limited to Shanghai and Korea. The successful conclusion of the war and the *post bellum* indemnity boom gave an enormous impetus to commercial expansion. Of this the steamship companies were not slow to take advantage. The N.Y.K. opened in 1895 a monthly service to Europe, and in the following year lines to Tacoma, Bombay, and Australia. The O.S.K. inaugurated services up the Yang-tse, to Formosa, the Gulf of Pechili, and to Hong Kong and South China.

The war had another very important result. The Japanese have never failed to recognize the uses of publicity, and the Press campaign which followed the Treaty of Shimonoseki, and has not yet ended, made of Japan a Mecca for tourists, a fate which she most thoroughly deserves, thanks to her wonderful scenery.

The tourist traffic is estimated to be worth £6,000,000 per annum, and those who have seen the great liners of the P.M.S., C.P.R., G.N.R. and T.K.K. discharging hundreds of globe-trotting Americans on to the *hatoba* at Yokohama can well credit it. It was to capture a slice of this traffic that the Toyo Kisen Kaisha was founded in 1898. The service was Hong Kong and/or Manila, Shanghai, Japan, Honolulu, San Francisco, and *vice versa*, and three fast liners were built in England and put on the route. Later three very fine turbine flyers, built in Japan, were added. They are the *Shinyo Maru*, *Chiyo Maru*, and *Tenyo Maru*, and they are certainly the three most comfortable boats on the North Pacific. The *Chiyo Maru* has since been wrecked.

During the Russo-Japanese War all these companies performed valuable services to the State in supplying transports, hospital ships, and auxiliary cruisers. After the Treaty of Portsmouth the mercantile marine received great expansion, and it has now become the open hope of Japanese owners to capture the Pacific trade. In this desire they have, and quite rightly, the support of their government. There is nothing which the Japanese authorities consider so important as the expansion of the invisible imports of the country. This lies at the bottom of a good many curious moves on their part, but the truth is that the financial conditions of the country are—to put it mildly—so inconvenient that easy money must be obtained, in however small quantities and even at the cost of antagonizing foreign feeling. That it may prove expensive money in the end is beside the point; it is immediate money.

In 1896 the Law for the Encouragement of Navigation was passed. It was amended in 1909 and remains, slightly modified, in force to-day. According to the first Law there was a general subsidy for all ocean-going vessels, plus an additional subsidy for vessels on specific routes. In 1909, however, the law was altered so as to apply only to Japanese-built steamers of less than fifteen years of age, of at least 3,000 tons gross, of a

minimum speed of 12 knots, and plying regularly between specified termini. The rate of subsidy is :

50 sen (=1s. 0½d.) per ton gross per thousand miles, *plus* 10 per cent. per knot over 12 knots, *minus* 5 per cent. for each year over five years of age.

Japanese-owned but foreign-built vessels under five years of age if employed with the consent of the authorities may receive one-half of the above subsidy.

Japanese-owned and built vessels constructed to plans approved by the naval and military authorities receive an addition of 25 per cent. of the above rates.

The above law expired in 1914, and as a result of the opposition to the generous scale on which subsidies had been granted, modifications were introduced. By the Law of 1915 the amounts payable are :

OVERSEAS SERVICE SUBSIDY.

Route	Company	No. of Steam- ships	Min. Tonnage	Min. Speed Knots	Services per Year	Amount Yen
European ...	N.Y.K. ...	11 ...	7,500 ...	15 ...	26 ...	1,832,806
N. American ...	N.Y.K. ...	2 ...	5,500 ...	14 ...	26 ...	} 2,924,777
" ...	O.S.K. ...	4 ...	5,500 ...	14 ...	26 ...	
" ...	T.K.K. ...	3 ...	13,500 ...	18 ...	14 ...	
S. American ...	T.K.K. ...	3 ...	6,000 ...	13 ...	6 ...	303,906
Australian ...	N.Y.K. ...	3 ...	5,000 ...	15 ...	12 ...	183,206
South Seas ...	Nan-yo Y.K. ...	4 ...	3,200 ...	14 ...	16 ...	280,000

COASTING AND NEAR SEAS SERVICE SUBSIDY.

					Yen
Yang-tse ...	Nisshin Y.K. ...	Shanghai-Hankow Ichang, etc. ...			538,000
Shanghai ...	N.Y.K. ...	Kobe-Shanghai ...			232,500
N. China ...	N.Y.K. ...	Kobe-Newchwang ...			118,228
Dairen ...	O.S.K. ...	Kobe-Chemulpo-Darien ...			100,000
Hokkaido ...	N.Y.K., etc. ...	Kokkaido, Saghalien and Kuriles ...			127,225
Islands ...	N.Y.K., etc. ...	Ogasawaru, Luchus, Bonins ...			76,760

Owing to the tactics of the Opposition, the Diet was dissolved in December, 1914, without the new subsidy law being passed, and the above grants were made by the Cabinet under the authority of an Imperial Ordinance (equal to an Order in Council). After the General Elec-

tion in May, 1915, the Diet approved of a new law, to be in force for four years to 1920, and the figures then authorized, including those for 1915, which were confirmed, showed a reduction of no less than 17,500,000 yen on the figures for the preceding five years. This drastic change demonstrates to a certain extent the opposition felt in Japan to the subsidies. The Imperial Government (both the Imperial Household and the most prominent statesmen are heavily involved in Japanese shipping finance) has protected the companies at the expense of the traders. The former have been bolstered up to a fictitious state of prosperity. The subsidies and bounties received from the treasury consistently exceed the net profits of the companies. Previous to the outbreak of the European War doubts were freely expressed as to the future of Japanese shipping, and there need be no hesitation in quoting popular opinion that the outbreak of hostilities was a godsend. The removal of German and Austrian shipping from the face of the waters and the severe demands of the British Admiralty for tonnage practically left the Pacific trade in Japanese hands. High freights have given large profits, and increased working expenses have not been so noticeable in the Orient as in the Occident. The scarcity of tonnage in the Atlantic has enabled Japanese owners to employ their ships in new trades. For example, the N.Y.K. are trading to New York, and the O.S.K. to Europe. In addition, some extraordinary bargains have been driven in second-hand tonnage, vessels bought from Europe just before or after war broke out being sold at an advance of 200 and 300 per cent. Recent mails, for example, announce that some owners at Moji who bought a couple of vessels in May from England have sold them back at such high prices as has enabled them to retire altogether from business.

These are all results highly advantageous to the Japanese companies, and if they only continue long enough, will certainly do much to counteract the evil

effects of too much subsidy. No reader should imagine, however, that the time has come for him to speculate in N.Y.K. shares. He might be well advised to do so if he could, but as no foreigner is allowed to hold any, he is protected against himself. This regulation is one of the shrewdest points in Japanese administration. There is a long list of semi-official, heavily subsidized concerns—banks, railways, steamship companies—from which foreigners are barred. In addition, Japanese law prohibits foreign-owned vessels from carrying cargo or passengers between Japanese ports. Whilst the latter regulation only hits the native shipper, the former is one which ought to be imitated in Great Britain, where it would do much to expel German influence from our commercial circles.

An important company which has not been mentioned is the Nisshin Kisen Kaisha (Japan-China Steamship Company) which was formed in 1906, and was an amalgamation of four rival services in Chinese waters. They were the Hunan Steamship Company, the Daito Steamship Company (both Japanese concerns), and the Yang-tse services of the N.Y.K. and O.S.K. This Company now has some 30,000 tons afloat and has an ever-increasing share of the Yang-tse and China coastal trade. It is an important consideration in the foreign policy of the Tokyo Foreign Office, as all the world became aware when it was put forward as a purchaser of the China Merchants' Steamship Company during the Revolution of 1912, a deal that was very fortunately frustrated. Other important lines—important politically more than commercially—are those to South America and the South Seas. That to the nitrate ports has an additional *raison d'être* in the efforts made to find satisfactory outlets for Japanese emigration. Various attempts have been made in South America, but without any considerable success being achieved. Japanese eyes have been turned to the South Seas since the days of Yoshida Shoin, the Choshu patriot who was executed by the Shogun for trying to leave Japan on one of Perry's ships.

Yoshida was the champion of a vast scheme of expansion beyond the seas, which included the absorption of Korea and parts of China and of the islands of the South Pacific. The formation in 1912, under government auspices of the Nan-yo Yusen Kaisha, was only a step towards the realization of long-deferred hopes, to which another step was added by the occupation of the German islands last winter.

The subsidized shipping is that portion of Japan's mercantile marine with which the foreign public is most familiar. But it is by far the least important in volume of the total tonnage. The total tonnage of the mercantile marine at the end of 1914 was 1,577,025 tons gross of steam tonnage, and 513,244 tons gross of sail, excluding all vessels of under 20 tons. In addition there were 230,000 tons registered at Dairen. The tonnage engaged in Japanese waters was about $1\frac{1}{4}$ million, and on the Korean and Chinese coasts about three-quarters of a million, the rest being scattered in various quarters of the globe. In addition, at the outbreak of war about 2,000,000 tons of foreign shipping was under charter to Japanese owners. The most important owners and charterers of freight steamers are the Mitsui Bussan; the Mitsu Bishi; the Hokkaido Tanko (Steamship and Colliery Company); the Suzuki Company of Kobe; and the Ukon and Oya firms in the coasting trade. The Mitsu Bishi and the Mitsui Bussan are the two greatest firms of Japan, the creations respectively of the Iwasaki and Mitsui families. The Mitsu Bishi Dockyards at Nagasaki and Kobe are easily the most important in the country. The Nagasaki yard covers an area of 115 acres, with a water frontage of nearly two miles. The equipment is thoroughly up to date; the machines and tools are electrically driven. Its contributions to the mercantile marine include the *Tenyo Maru* and *Chiyo Maru* (13,500 tons), of the T.K.K., and the *Kamo Maru* and a number of first-class liners for the European and American lines of the N.Y.K. and O.S.K. For the navy the Mitsu Bishi have a long list to their credit, including

torpedo boats, destroyers and cruisers, and ending with the battle-cruiser *Kirishima*, completed in 1915, and the *Hyuga*, a 30,000-ton super-Dreadnought, now on the stocks. The Kobe yard is mostly devoted to mercantile construction and repairs, for which latter the two floating docks of 7,000 and 12,000 tons respectively come in handy. As an instance of rapid construction by this firm, it may be mentioned that in November, 1914, the navy placed rush orders for two destroyers with the Mitsu Bishi. The boats were laid down and launched inside of fourteen weeks.

The Kawasaki Dockyard, which is largely under the influence and administration of the Matsukata family, can turn out anything from a steam launch to a battle-cruiser. The *Yasaka Maru*, one of the crack T.K.K. boats, came from here, as also several of the O.S.K. Seattle liners, and two 10,000-ton boats are now in hand for the N.Y.K. Panama service. In navy work Kawasaki has a proud record. In 1915 the battle-cruiser *Haruna* was completed, and the *Yamashiro*, name ship of a new class of super-Dreadnoughts, has been laid down. The Japanese Press asserts that the new type will open up some new ideas in naval architecture. As the Japanese claim to have invented the Dreadnought, the battle-cruiser and the ocean-going destroyer, the evolution of the *Yamashiro* will be awaited with interest by naval architects abroad. There is a Kawasaki repair yard at Dairen.

The Osaka Ironworks Company, founded by an Englishman, owns three yards close to Osaka, having seven dry docks and seven berths, in addition to repair yards at Moji and Keelung, Formosa. For many years the Osaka Company struggled with adversity, and it has never obtained the wide renown of the other two companies. This was not due to any lack of excellence in work, but to its poor geographical position, the shallow water on the front, and lack of political pull. It was not until the Osaka Harbour Works were undertaken that the firm came into its own. Neverthe-

less, it launched the first steel vessel in Japan and was first to introduce triple-expansion engines. During the Chinese and Russian wars the yard undertook a lot of work for the navy, and has turned out a number of fast torpedo boats, destroyers, and patrol boats. It has been closely associated with the development of the O.S.K. At the present moment it has more tonnage on its order books than any other yard in Japan.

On May 31, 1915, the following new tonnage, exclusive of navy work (125,000 tons), was on order in Japan:—

Nagasaki (M.B.)	...	7	steamers	...	47,500 tons gross
Kobe (M.B.)	...	3	"	...	11,700 "
" (K.D.)	...	9	"	...	48,000 "
Osaka (O.I.W.)	...	22	"	...	89,700 "
Various	...	10	"	...	15,200 "
		<hr/>			
		51			212,100

Since that date orders for another 570,000 tons have been placed. In fact, the yards are now unable to cope with the work offered them. The Mitsu Bishi recently announced that the statement that the Russian Volunteer Fleet had ordered a liner from them was untrue; the latter had asked them to construct three steamers, but it had been impossible to accept the order, owing to the number of contracts on hand.

It would appear from the balance sheets of shipbuilding companies as if new construction was a very lucrative business. There is reason to doubt whether it is equally so for the country. A recent report of the Mercantile Marine Bureau of the Department of Commerce points out that in reality only vessels of up to 2,000 tons can be economically built in Japan. The cost of larger vessels exceeds by from $12\frac{1}{2}$ to 20 per cent. the cost of construction abroad, plus the import duties and expenses. Probably what the Department wish to indicate is that what is a lucrative business for the builders is a very bad one for the country. After all, the blame is on

the Department, for it is owing to the subsidies that matters are so. It is the government and the subsidized companies who are the best customers of the shipbuilders. It is difficult to see how construction can be economical when the steel foundries cannot turn out sufficient material for the use of the government, let alone the private yards. A production of four times the quantity would barely meet the pre-war demand. Even then Japan has no ore resources of her own, and is obliged to import from Sweden, England, India, and China. In addition, many important parts cannot be manufactured in Japan, but have to be imported. The bubble about Japan being able to manufacture everything she requires herself is blown. Admiral Yashiro, Minister of the Navy, recently admitted in the Diet that only 70 per cent. of the material used in the *Haruna* was made in Japan, and, in addition, turbines and other machinery came from England. Similar conditions, though not to so great an extent, prevail in mercantile construction. This notwithstanding, the Japanese have brought the shipbuilding industry to a very high level, both as to output and quality, and its future will be watched abroad with considerable interest and sympathy.

The Toyo Kisen Kaisha lately announced that it has under construction a new liner which will, when completed, be the crack vessel on the Pacific. It is being built at the Tsurumi yard, recently laid down near Yokohama on the shores of Tokyo Bay by the President, Mr. Asano. The *San Francisco Maru* is to be 636 feet long; her quadruple-expansion engines will develop 23 knots, and she will have accommodation for 300 first-class, 100 second-class, and 800 steerage passengers. The new boat will be 46 feet longer than the latest Empress class of the Canadian Pacific Ocean services. The *San Francisco Maru* marks a new departure in Japanese shipping policy, which is attracting a good deal of attention in American commercial and official circles. Hitherto the T.K.K. boats have run from San Francisco to Yokohama, and on to Hong Kong, making connections at the

latter place for Manila. The development of the Japanese transpacific services has, therefore, been a matter of general utility to all Americans trading in the Far East, for, whether via San Francisco or Seattle, they have been, in fact, through services to China. The new boat is only to run between Yokohama and San Francisco, and the China end is to be left to smaller vessels. Since the war and the consequent shortage of tonnage sufficient to serve to whole Far East, Japanese lines have concentrated their big ships on the cross-Pacific service, which is, of course, of vastly greater importance to the country. The announcement that the new express steamers are only to run between America and Japan emphasizes the new policy that Japanese lines are there to serve Japanese interests first, and that American, Chinese, and Philippine wants must be met from other sources. Comment from American official sources on the change is rather acrid, but there is no real reason for it. American legislation has done everything it possibly can to drive the American flag off the Pacific, and the only American line now running is doing so in spite of official disabilities, and not because of official aid. After driving American exporters to depend on Japanese shipping, American officialdom seems quite peevish because the Japanese lines are demonstrating that they are in business for their own and their country's good, and not for that of the States. An expected development of the new service will be the transfer of the Japanese silk import trade from Seattle to San Francisco. The short voyage by much faster and better boats will reduce insurance charges to a minimum—one of the most important elements of the trade—and as the mileage from San Francisco to New York is the same as from Seattle, the future will probably see the Japan Silk Special running from the southern port instead of the northern. The change in Japanese policy, even if permanent, by no means involves any diminution of Japanese interest in the China trade, but only that this will be cared for by smaller vessels or by transshipment in Japan, whilst

the big liners will make the terminus of their transpacific voyages in a home port instead of in Hong Kong.

An interesting report was issued in September, 1916, by the Department of Commerce at Washington, dealing with Transpacific shipping. It is intended to show the altered conditions which the war has brought about on the Pacific, and particularly emphasizes the remarkable expansion of the Japanese share. Commercial Attaché Arnold and Vice-Consul Kirjasoff, who are the authors of the report, estimate the total pre-war yearly freight capacity in Transpacific shipping—meaning thereby regular steamers running between the Orient and North Pacific Coast ports—at 1,387,113 tons. This tonnage was made up as follows: 353,060 tons, or 25.45 per cent., American; 410,305 tons, or 29.58 per cent., British; 256,248 tons, or 18.47 per cent., German; and 367,500 tons, or 26.5 per cent., Japanese. The conditions in May of the present year are calculated by the same authorities as follows: The total available yearly tonnage on regular lines of all nations was 960,960 tons, and this was supplemented by 130,000 tons estimated for chartered shipping. The 960,960 tons were made up as follows: 19,000 tons, or 1.97 per cent., American; 364,260 tons, or 37.9 per cent., British; 100,000 tons, or 10.04 per cent., Dutch; and 477,700 tons, or 50.09 per cent., Japanese. If the 130,000 tons of shipping capacity chartered by the Japanese lines are added, the Japanese percentage rises to 55.75 per cent., and the percentages of tonnage under other flags are necessarily proportionately decreased. Of course, since May the percentage of tonnage under the American flag has been rising through the appearance of the Pacific Mail Service on the Transpacific route once more, but it must be remembered that the Japanese percentage is also rising, and that the young world Power of the Far East is making every effort to consolidate and make permanent the fruits of the opportunity which she has seized with such energy and determination. A Dutch correspondent

in the Far East, dealing with the same subject, says that Japan has conquered the Pacific trade, and there is practically no port of importance there which Japanese lines are not serving. A noteworthy development, too, is the extension of these services to South America, and regular services are actually in being all along the Pacific coast, whilst lines are announced to commence early next year to Plate and Brazilian ports. Almost the biggest business between San Francisco and Australia is being done by the Osaka Shosen Kaisha, much to the disgust of American lines, which formerly controlled the trade. We may quote a speech by Mr. Samuels, managing director of the Oceanic Company of San Francisco, in which he says: "It is only a question of time until the Pacific becomes a Japanese lake, for their working costs are much less than ours, and they receive official backing in a manner quite unknown over here." One can quite understand the bitter references of American writers to the Japanese subvention system, in view of the persistent efforts of the American authorities to drive the American mercantile marine out of business. There is no doubt that Japan has seized with both hands the opportunity which the war has given her to consolidate and develop her marine business, and no one will blame her for making the most of it.

The following translation, from an article contributed by a Russian writer to the *Harbinsky Vestnik*, gives a very good summary of the changes in Japan's industrial position as a result of the war:—

"Japan has in recent years developed its manufactures, has found new markets for its products, particularly in Russia and the Central and South American Republics, and now has the very best opportunity to become one of the foremost commercial countries. In 1903 the total turnover of Japan's foreign trade was 600,000,000 yen (\$300,000,000). It gradually increased until in 1905 it was 810,000,000 yen; in 1910 it was 922,600,000 yen; in 1912 the amount was 1,187,000,000 yen; and in 1915 it was 1,341,000,000 yen (\$670,500,000).

Japan's business was chiefly with England (27 per cent.), America (23 per cent.), and China (20 per cent.) In only a few countries with which it dealt was the balance in Japan's favour—America, China, Russia, and France. Japan's total balance, with the exception of the years 1906 and 1909, was not in its favour up to 1915, although in the last few years its exports have been increasing steadily. In 1915 Japan's trade took a turn for the better. The exports exceeded the imports by 175,800,000 yen (\$87,900,000). In the first half of 1916 the exports exceeded the imports, according to preliminary reports, by 80,000,000 yen (\$40,000,000). Ten years ago there were only 4,000 factories in Japan using power machinery, with an aggregate of 120,000 horsepower. At present the country has 16,000 factories, using 1,125,000 aggregate horsepower and employing 1,500,000 workmen. In July, 1907, Japan possessed a commercial steamer fleet with a total net tonnage of 679,000.; on July 1, 1916, it had a fleet with a net tonnage of 1,169,105. It is easily understood that the Japanese wish to reach such a state in their industries that they may feel the least possible dependence upon other countries. But this is very difficult on account of the scarcity of natural wealth in Japan, which is such that, notwithstanding all endeavours, they have not been able to meet the demands of their manufacturers for raw products. The yearly growth of Japanese industries has increased the demand for raw products, and to meet this demand Japan is forced to import raw products from other countries. It is said that ten years ago this condition was even more unfavourable, and that only on the acquisition of Korea, Kwangtung, and South Manchuria was relief felt. How much Japan is in need of raw products is shown by the import statistics. Of the total imports, to the value of 488,500,000 yen, for eleven months of the last year for which figures are available (1915), 312,600,000 yen represented raw products and 89,700,000 yen semi-manufactured products. Of the raw products imported by Japan the following

are among the articles of greatest value : Cotton, 200,600,000 yen ; wool, 28,100,000 yen ; linen and hemp, 7,800,000 yen. All of Japan's agricultural area is occupied by rice-fields and orchards. Cotton, the most important raw product necessary to Japanese industries, is raised in very small amounts. Almost all the large quantity of raw cotton used in Japan is imported. Cattle-raising in Japan is such that it cannot be favourably compared with even that of countries of less importance. Under these conditions Japanese industries are unable to obtain even such important domestic products as hides and wool, but nevertheless the country produces many articles of leather, the whole raw product for which must come from abroad. The same is true of woollen goods, but woollen and semi-woollen textiles are not largely manufactured, and Japan to a great extent uses foreign-made goods (mostly English). Hardly any flax or jute is raised in Japan, but this does not hinder the Japanese from exporting canvas, bags, and other manufactures of these products. Among the more important Japanese raw and semi-manufactured imported products the amounts for eleven months of 1915 were : Sheet iron, 19,400,000 yen ; pig iron and iron ore, 6,900,000 yen ; iron pipe, 1,300,000 yen ; rails, 600,000 yen ; lead, 2,500,000 yen ; paper pulp, 5,600,000 yen ; linen yarn, 800,000 yen ; leather, 1,800,000 yen. For eleven months of 1914 the amounts were : Sheet iron, 23,900,000 yen ; pig iron and iron ore, 7,300,000 yen ; iron pipes, 4,000,000 yen ; rails, 2,000,000 yen ; lead, 2,700,000 yen ; paper pulp, 4,100,000 yen ; linen yarn, 3,500,000 yen ; leather, 1,800,000 yen. Although Japan's mining industry is well organized, the production of iron ore is so small that Japan must import from China more than 500,000,000 jin (666,666,666 lb.) of iron and 100,000,000 jin (133,333,333 lb.) of cast iron. From England, Sweden, and Germany Japan imports manganese-iron alloy, mirror cast iron, iron rods, and iron strips. From America are imported pewter, lead, and zinc. How much Japan is in need of iron is proved by

a special column of imports headed "old iron," of which 120,000,000 jin (160,000,000 lb.) are imported yearly. In all, raw and semi-manufactured iron products imported into Japan amount to 100,000,000 yen yearly. Notwithstanding the fact that Japan is dependent on other countries for iron, it has been able to develop a good metal industry, with the exception of machinery. Machine manufacturing was badly organized in Japan before the war, so that it was necessary to import from other countries, principally from Germany. Since the war Japan has been forced to build its own machine shops; that is to rebuild and extend machine shops and ship-building yards, either belonging to the Government or else subsidized by the Government. It is stated, however, that even at the present time machinery is being imported. Japan's imports for eleven months of 1915 in various lines were: Food products—wheat, 1,500,000 yen; rice, 4,600,000 yen; bean products, 8,500,000 yen; sugar, 13,600,000 yen; miscellaneous, including tobacco, 3,800,000 yen. Manufactures—cloth, 2,800,000 yen; satins, velvet, etc., 1,700,000 yen; paper, 2,700,000 yen; iron nails, 6,400,000 yen; naphtha, 7,600,000 yen. For eleven months of 1914 the figures were: Food products—wheat, 8,300,000 yen; rice, 24,300,000 yen; bean products, 12,400,000 yen; sugar, 19,700,000 yen; miscellaneous, including tobacco, 4,900,000 yen. Manufactures—cloth, 4,600,000 yen; satin, velvet, etc., 1,900,000 yen; paper, 4,600,000 yen; iron nails, 500,000 yen; naphtha, 7,400,000 yen. Notwithstanding Japan's great progress in textile manufactures, still it imports cloth and the better qualities of woollen textiles (principally from England) besides cotton piece goods. This is explained by the better quality of foreign goods. During the past year the Japanese have been very much interested in hops, which before the war were brought from Germany, and are now being offered by America. Linen and bristles also are sought, and it is known that several sales of them have been made. There have also been inquiries through the Russo-

Japanese Association as to the possibility of receiving potash and tobacco from Russia, but the very high price of potash makes it impossible to do this business until the close of the war. As to leaf tobacco, this question has not been fully examined."

CHAPTER SIX

SOCIAL CONDITIONS

PART I

IT will probably be a long time before the world arrives at a just estimate of the Japanese character, and when it does it will most likely be found somewhere half-way between the fulsome standard set up by the Japanophiles and the equally exaggerated low level claimed by the Japanophobes. Although the country has now been opened more than half a century, admitted to the so-called comity of nations for twenty years, and in alliance with Great Britain for thirteen years, it remains a paradox that no nation has been so misunderstood by the Western world, and of no nation has the Western world thought it knew more. The explanation is simple. The imitative powers of the Japanese have been of a remarkably high quality, whilst their secretiveness has prevented almost *in toto* critical examination of the depth of their assimilation of foreign civilization. To a large extent the foreigner has been dependent for his information upon the valuation given by Japanese officialdom, and of the nature of that valuation the bookshelves of any first-class library or the columns of the daily press during the last two decades are eloquent witnesses.

It is only during very recent years that information of the true conditions have been available, owing entirely to the private enterprise of Japanese investigators and thinkers, who have gone past the vain imaginings of bureaucracy and examined matters at their source. In this work none have been more industrious than the

proprietors of the *Osaka Asahi Shimbun*, a newspaper of great circulation and prestige, and independent from the influence of authority, the *Tokyo Economist*, a monthly review of high standing, and the *Kokumin Zasshi*, a reflective organ whose articles are well worth studying, whilst to *The Japan Chronicle* the outer world is deeply indebted for its publication in English of these researches.

The state of the agricultural class and of the lower middle class may be usually taken as a fair standard of the conditions of a country, and if these are considered in Japan, one is reluctantly forced to the conclusion that things are very very far from prosperous. Osaka is the principal manufacturing centre of Japan, and by far the most well-to-do city in the country, even though Tokyo may possess a larger number of millionaires. In Osaka in 1912 43,000 persons paid income tax (¥1,597,000), and their average income was ¥815 per annum. Of these, 23,000 persons had incomes averaging ¥356 per annum, or ¥29 per month, and there were tens and hundreds of thousands not liable to income taxation as their incomes were less than ¥25 per month. The average family in the city is of five persons. It is plain that a family of five endeavouring to live or rather to exist on ¥25 or ¥30 per month is attempting the impossible. The government is the worst employer of labour in the country. The post-office employes are shockingly underpaid, two-thirds of them not exceeding ¥20 per month, although, as most of them are comparatively young, they do not suffer the burden of dependents so much as some other classes. It is to be noticed, however, that as soon as an employé rises above the ¥20 mark he marries or in another way increases his responsibilities.

The policeman receives from ¥13 to ¥23 (sergeant) plus a contribution to house rent, his uniform and shoes, but out of his cash wages he has to support three or four persons. His position is worse than the postman, for he cannot associate with others so freely, nor can he accept philanthropy. School teachers are in the same position, with an average wage of ¥20 to ¥30 per month. Com-

mercial employés are in a worse case, for their salaries are about the same, but they have to keep up a certain social position, and very often to dress in European style.

The above may be described as the 'genteel poor.' Their families live in one room ; they die if they fall ill, for they have no money for hospitals or doctors ; their children are stunted, underfed, and tuberculous ; they more often than not have to be buried by charity or the State, for life insurance, death benefits, or any other prudential economies are as much beyond their reach as is the food to strengthen their children to go to school. The following is a typical monthly budget of a Y25 family :—

	Yen
Rent	4.50
Rice	8.10
Other food	4.50
Charcoal for cooking and warming	1.45
Say, sugar and salt	0.70
Children's necessities	0.60
Bath	1.20
Tobacco	1.00
Presents	0.50
Club	2.00
Newspapers, school books, etc.	0.43
Laundry	0.59½
Clothing	1
Water	22½
	<hr/> 25

If the condition of this stratum of society is miserable, the condition of the artisan class is no better, though they may be saved a small fraction of expenses, incurred for social reasons. Many of these, if their positions were permanent, would indeed be considered affluent in comparison with the clerk or postman or petty government official, who has to keep himself and his family on 83 sen a day. A carpenter makes 87 sen, a plasterer 89 sen, a stone-cutter Y1, a sawyer 85 sen, a tiler Y1.03, a brick-layer Y1.06, a European style tailor 89 sen, and a

shipwright 91 sen. But in most trades the wages are much lower, for in such poverty as exists in Japan even two or three sen constitutes a sum of consideration.

A mat-maker receives 77 sen, a screen-maker 78 sen, a paper-hanger 75 sen, a cabinet-maker 79 sen, a cooper 65 sen, a lacquerer 66 sen, a blacksmith 70 sen, a potter 63 sen, a paper-maker 44 sen, a type-setter 54 sen, a printer 50 sen, a tobacco cutter 62 sen, a weaver 43 sen, whilst the earnings of 'rickishamen' vary from 40 to 60 sen. For such as these life is indeed one long struggle, though if their health keeps up they are enabled to make both ends meet by the strictest economy and by piecework done at home by the wife and children.

Below the artisan comes the labourer, the casual employé, the man to whom rain spells food or starvation. In Tokyo and other big cities this submerged population forms 10 per cent. of the whole. It lives in rickety tenement houses, the rooms of which measure 9 feet by 6 feet, and there is generally more than one family in each room, the *shogi* (screens) are broken and torn, of furniture there is none, the floor matting is damp and rotten and torn, and the whole abode one of filth and disease. Such families pay a daily rent of a few sen, and their food, when they can get it, is the refuse and the leavings from restaurants, markets, and houses. When in work their earnings range from 12 to 15 yen per month, but for one-third of a year they cannot work on account of the rain. As is usual with such classes in all countries, their miseries are increased by large families. Their only expenses are food and rent, but even so they cannot keep out of debt. A typical budget of an economical couple, who neither smoked nor drank, and had but one child, showed a monthly deficit of Y4 to Y5. That these are the conditions in the lower classes has been demonstrated *ad nauseam* by investigators. But in the middle class matters are not much better. Though wages and salaries have much increased, the rise in the cost of living keeps well ahead.

Filial piety has ever been a virtue of the land, and the creation of posterity is as much a duty to the ancestors as to the nation. As Mencius wrote: "To have no posterity is the worst of the three unfilial things." In the middle class there is an increasing tendency to avoid this duty on account of the straitness of the family budget. During the past few years women's magazines have been repeatedly suppressed as 'subversive to public morals,' and inquiry frequently shows that the excuse for the censorship has been a protest against child-bearing to propitiate ancestral spirits. As a Mrs. Yamada wrote in one of these forbidden reviews: "Why should women be forced to bring into the world children we cannot feed, clothe, or educate? Why must we increase our population at the dictates of passion and superstition, when large sections of the population are starving."

It might be argued that with increasing industrial activity wages will go still higher, and an improvement be gained thereby. Or on the other hand the development of agriculture may cause a reduction in the price of commodities, and so give relief to the people. I am afraid that a long while must elapse before relief is afforded in these ways. If the industrial population was liable to be limited, then the law of supply and demand would force a living wage, but unfortunately conditions on the land are such that agriculturists are migrating to the towns, and employers will have no difficulty in obtaining plenty of labour, and the labourers must accept whatever terms the employers give. An increase in agricultural production may come, but the annual increase in population of 16 per cent. prevents it being of general benefit. The big development of agriculture will only be when modern machinery is introduced and the plot system, the survival of centuries, is abolished. When that day comes the migration to town will increase several hundred-fold, for the machinery will replace the labourer.

Japan will only be a cheap country to live in when the taxation is reduced, when militarism is abandoned,

when the true basis of economy is understood, and when the false pride, which is at present one of the principal curses of the country and the people, is duly exorcised. A writer in the *Osaka Asahi*, says, "a principal cause of the high prices are the extravagance and conceit of the nation after the war with Russia, and the cheapness of the borrowed money which then flowed into the country. Japanese women do not appreciate the importance of buying their own provisions, but think that such economies mean a loss of dignity. It is the ambition of every woman to keep a servant, even in families whose income does not allow of such an extravagance. They like to sit at home or go visiting, and leave the management of their house to the maid, who buys the provisions and fixes her own price with the seller, who visits the house. This is most uneconomical and wasteful.¹ It is the fashion nowadays to despise work, an unhappy relic of feudalism, and wives infinitely prefer to dress themselves richly and to order their servant here and there to doing anything themselves. The result is that there is waste, extravagance, and debt."

It is futile for the Japanese authorities to brazen out to the world that the country is prosperous and happy when the majority of the population is living in absolute want and destitution, for the conditions of 10 per cent. of the urban population is the normal one of most of the agricultural. It is foolish for visitors who spend a few weeks in the land, and are officially conducted round the sights, to think that they have seen Japan, or are qualified to speak of it. How many of the fatuous glad-handers, who are responsible, under government patronage, for the persistent efforts to boom the country have ever been inside an Osaka mill, or visited the slums of Tokyo, or Osaka, or Nagoya, or peeped inside a farmer's shed? The conditions which I have attempted to describe prevail, and so good a patriot as Count Okuma has acknowledged them to be a disgrace.

¹ Servants always get a commission on their orders or purchases on account of their employers.

During the summer of 1912 the Count devoted a considerable amount of time to investigating the conditions of the poor, himself visiting and thoroughly examining the darkest quarters of Tokyo. His descriptions of life in Hongo and across the Sumida River were published in the *Shin-Nihon*, and confirm and elaborate the statements of other investigators. Speaking of the poor of Maunen-cho in Tokyo, he said: "They live in the two or three mat rooms of the ill-lit and low-built dwellings in groups of from two to seven. The greatest number of them get one, or at most two, meals a day, but some had not fed for three days. Many are in a chronic state of ill-health. Most suffer from skin diseases, the natural consequence of never enjoying the sun, bathing at long intervals, and eating bad food."

It is not only the immediate conditions which are bad, it is the outlook for the future. If the Japanese authorities intend to continue their policy as in the past, that is bureaucracy, Emperor-worship, militarism, and the other 'isms that spell negation of the individual, then it is going the very way to cause its own ruin. The only justification of despotism is the benefit of the people. The benevolent despot is an ideal ruler, but he is a rarity. The unconfessed fear of the *Kasumi-gaseki* is Socialism, and the conditions I have mentioned are breeding a very fierce form of Socialism, which one day will find its outlet. On various occasions during recent years the Tokyo mob has tasted blood. True, it was a suborned mob, bought up by the politicians, but it has learnt something of its own power, and it is not likely to forget. There is no reason to doubt that what the authorities describe as 'dangerous thoughts' have found their way into the army and the navy, and though it is highly improbable that much ground has as yet been gained, it is acknowledged that there is a certain amount of unrest, and certain incidents have required a good deal of explaining away.

The national health and physique is bound to suffer where large portions of the population are underfed and

improperly housed. Infantile mortality accounted for 413,999 deaths in 1911, and there is a heavy toll of stillborn (157,392). The death-rate in 1913 from tubercular complaints is 49.9 males and 59.7 females per 10,000, and is increasing annually. It is officially acknowledged that 25 per cent. of the school teachers are in advanced stages of consumption, and 63 per cent. are tuberculous in one way or another. Congenital debility and malformation, almost entirely due to the poor feeding and accommodation of the mothers, is at the very high level of 1.73 per mille of the deaths, whilst internal disorders caused directly by food stand at 4.95 per mille.

I have read somewhere words to the following effect : Infant mortality is the most sensitive index we can have of social welfare. It measures mercilessly the intelligence, health, and right living of parents, the morals and sanitation of communities and governments, the efficiency of physicians, nurses, health officers, and educators.—Well, in Japan 38 per cent. of the annual deaths are of children under five ! If my memory of the quotation is correct, that 38 per cent. of deaths answers effectively a whole lot of questions about Japan. In addition, it may be added, that 9 per cent. of the total births are stillborn.

The following statistics, showing the most prevalent diseases among the poor, were compiled at the Mitsui Hospital, an establishment endowed by the Mitsui family for the benefit of the lower classes in Tokyo. These figures originally appeared in the *White Cross*, a newly-published organ of an association for the prevention of tuberculosis :—

Nature of Disease.	Men.	Women.	Total.
Alimentary diseases	763	602	1,364
Lung troubles	386	363	644
Tuberculosis	562	311	880
Kakke	283	145	428
Nervous diseases	354	285	639
Infectious diseases	58	22	80

The classification of the patients treated at the Philanthropic Hospital in Tsukiji is as follows :—

Day labourers...	797	Carpenters	213	Tailors	142
Jinrikishamen...	532	Smiths	245	Factory hands	367
Clerks	263	Printers	173	Unemployed ...	501

Alimentary diseases, tuberculosis, and trachoma are the three diseases that are undermining the vitality of the poorer classes in Tokyo. The number of trachoma patients in the Mitsui Hospital in one year alone rose to 1,284, and deaths from tuberculosis in the three municipal districts of Yotsuya, Akasaka, and Azabu, in 1910, rose to 3,418.

The bad effect on the physique of the younger generation can be well understood. The inadequate and monotonous dietary is depreciating the stamina of the race and producing a general prostration. Whilst modern manners, the use of chairs and tables, coats and trousers, have conduced to raising the standard of height, the pallor and weediness of the younger generation is a constant cause of remark. Not only is the death-rate rising, but the birth-rate is falling, whilst there has been a steady increase in the number of the unmarried, an increase in no way set off by the high level of illegitimacy, 10 per cent. of the birth-rate.

That the moral balance of men and women as such is endangered by the course events are taking can hardly be denied. That the morality of the whole nation is being seriously affected is beyond dispute. The records of the criminal courts show that 90 per cent. of the offences committed are thefts, gambling, fraud, and robbery, whilst 95 per cent. of the offenders are persons without property, and trying to acquire property. Poverty is a Fagan, and is more responsible for crime than all other causes combined. The appalling monotony of existence in the lowest classes is the supreme evidence of the hold that life has on man.

That the government could do much to alleviate the

miseries of the slums is certain. The removal of the duties on imported foodstuffs, which are imposed in the interests of the landed proprietors, would go far to help. Rice is the staple food of the nation, and any official meddling with its value can only lead to discontent and disaster. In handling the problem of food supplies the official policy is vacillatory and vague. One year food is taxed according to one authority to maintain the price of home-grown rice, according to another to develop agriculture, according to a third to raise revenue. The next year duties are reduced or remitted to lower prices, or to encourage farmers to increase acreage or to break corners. This lack of unanimity is typical of all government institutions. It would at least be well to recall the words of Lord Melbourne, when the corn duty was under discussion by the British Cabinet. "Well, gentlemen, why are we doing it? Is it to raise the price of corn, to lower the price, or to steady it? Whichever it is, let us all say the same thing about it!"

Japan remains an agricultural country, the greater part of her population being still engaged in farming or allied occupations, although, as before remarked, there is a steady migration from country to town. In 1913 60 per cent. of the people were doing agricultural work. The record of government interference in this sphere goes back to the days of the Shogunate, when numbers of the *samurai* laboured in the fields of the *daimyo*. After the Restoration Okubo intensely developed official supervision, and obtained the services of a number of German and American experts to assist the Mombusho. Under Matsukata the activities of the government were diminished, but of recent years they have been again developed. The two drawbacks from which Japan suffers agriculturally are the immense area of non-arable land and the continuance of mediæval methods.

It is calculated that only land inclined at less than fifteen degrees is capable of utilization, and such land amounts, excluding the Hokkaido, to 7,145,123 *cho*, of which 5,158,760 *cho* are already under cultivation, leaving

about 30 per cent. yet to be reclaimed, which is being done at the rate of 17,000 *cho* per annum. Therefore less than 20 per cent. of the total area of the country is capable of being tilled, and at present only about 14 per cent. is under cultivation. It is not unexpectedly, therefore, that Japan has come to the end of her food resources, and is obliged to import rice from abroad. The normal crop is 49,910,855 *koku*, which falls between four and five million short of the requirements of the nation. It stands to reason that if the acreage cannot be largely expanded, the yield must be increased, and a great deal has been done in this direction by the use of fertilizers, blight preventives, etc. In many places the yield has increased 165 per cent. as against forty years ago.

That the acreage could be further increased and the yield immensely developed by a radical change in the system of land tenure and culture is almost certain. Japan is still the home of the peasant proprietor, and wherever you go in the country the eye is pleased by the picturesque but uneconomical weeny plots. The average size of these rice plots is 0·10 of an acre, and 54 per cent. of the paddy fields are so divided and held. The average size of the upland farms is a quarter of an acre, and three-quarters of the total area of such farms is so divided. The average proprietor owns paddy plots up to 7·33 acres, and this class accounts for 52 per cent. of the rice acreage of the country. The tenants distribute their yield as follows :—

Rent.....	57 % (always paid in rice)
Manure and expenses	15 %
Costs of living	22 %
Profit	6 %

100

Out of the rent the proprietor has to pay all taxes and rates, about 30 per cent. of the total yield.

Out of the proprietor's rent and out of the tenants' profit has to be paid the interest and redemption of the

huge debt under which agriculture labours in Japan. Official statistics put this at Y100 per household for peasant proprietors, and Y50 for the more well-to-do, or a total of Y700,000,000. Unofficial but more trustworthy statistics put the total at over a thousand million yen, and the incidence ranges from Y150 to Y320 per household. Of this great amount the vast majority is due to private usurers, and stands at 12 to 21 per cent. interest, whilst the remainder has been borrowed from the Agricultural Banks at $5\frac{1}{2}$ to 8 per cent. The average profit of a peasant proprietor is Y36.50 per annum, which does not leave much margin for interest or for investment in modern instruments and in fertilizers. A gradual change has been taking place with the steady increase in the percentage of tenant farmers, due to capitalists either buying up land or foreclosing on mortgages. The development has not been for the better, as the rents charged are extremely high, due to the value of land, which is in Japan five times as much as in England. It is a pity that if the land is to fall into the hands of capitalists that these men do not abolish the plot system, which would increase the acreage, and aid the introduction of machinery and modern methods. The present system is wasteful and expensive. Horses cannot be used, machinery cannot be employed, and the profits are so small that the laborious and unpleasant use of night-soil as manure has not yet been replaced by the use of fertilizers. Japanese rice is grown under modern conditions, and with respectable profit in Texas, and costs $3\frac{1}{2}$ days of labour per acre as against 110 days in Japan, whilst the yield is 32 per cent. higher.

The difficulty of living, as affecting both the urban and rural populations, is one which could only be fully discussed in a volume to itself. It is a question which is not of modern origin, but dates back to long before the fall of the Shogunate. Its importance during recent years has been pushed into the foreground because it is the driving force of almost every official move in Japan. Its connection with foreign policy is close ; its

intimacy with financial policy is obvious ; the unrest which it has provoked is the cause of the anti-Socialist and anti-Liberal policies of successive cabinets ; the recent efforts of the government to interfere in religious matters has one of its reasons in the desire to find an ethical means of satisfying material wants.

It may be reasonably asked why, if the difficulty of living is such an ancient and pressing problem, the people themselves have not demanded and obtained some satisfactory solution. As matters stand at present in Japan the people have little, if any, say in the matter of government. In every country under the modern system there is a parliament and a cabinet, and in that cabinet, or behind it, are a group of men whose names are often unknown but whose powers are immense. In some countries, as in Great Britain, it is a clique in the cabinet. In other countries, as in Russia and Japan, it is a clique outside the cabinet. It is these mystery men, these pillars under the veranda, these Elder Statesmen who are the real rulers of the country. They decide all great questions, the problems of peace and war, and in Japan they have chosen very deliberately a policy of military prestige rather than one of popular contentment.

Such a system is by reason of the country's early history peculiarly successful in Japan, and peculiarly adapted to the character of the people. After centuries of feudalism it has been impossible for the Japanese to eradicate that servility and complete obedience which is the principal feature of the feudal system. The bureaucracy has been created by the Elder Statesmen as an immense machine for the registration of their policies, and whilst they may admit that there is a popular will, they arrogate to themselves the right to direct and explain that will. The bureaucracy is practically founded on feudal lines, and the subservience which the people formerly rendered to their local overlords has been transferred by an easy change, mostly one of name alone, to the local officials. If the reader should happen to reside for any length of time in a Japanese village he is almost

certain to have an opportunity of witnessing the paternal conduct of officialdom. The mayor or, in that beloved Japanese phrase, the 'proper' official, will lecture his flock on any subject under the sun, from the regulation way to make rice-seed beds to the higher branches of political economy or the correct manner to wear a frock-coat, always basing his remarks on the stereotyped instructions of the Home Office. It is uncommonly difficult for people so coddled by officialdom to get a hearing for their complaints, and even if they could get the hearing to the local authorities, it would be so smothered in red tape by the time it got to Tokyo as to be inarticulate, which is another cause for the present unrest being subterranean rather than on the surface.

To the numerous harrowing accounts of starvation and misery the bureaucratic reply is as unfeeling as its arguments are unsound. Mr. Nakashoji Ren, Minister of Agriculture and Commerce, in the third Katsura Ministry, said that such conditions were not to be complained of, for they were the result of normal development rather than of any circumstances for which a government or individual could be blamed. He said that the taxation was heavy and the currency inflated, but these were evils which would be cured by the further development of industry and emigration. The tariff was not a burden on the country, because the increased cost was set off by the increase in prosperity, and he reminded his audience that rice had risen from Y12 in 1881 to Y20. He failed to remind his hearers of the fact that taxation falls heaviest on the lower classes because Katsura, in order to get his bonds accepted, excluded dividends on government paper from income tax. He did not point out, as Mr. Walter Denning has done, that less than half the correct income tax is collected from the rich, nor that enormous tracts of building land in the cities are annually registered as agricultural land to avoid the higher scale, and that this registration is winked at by the authorities. Nor did he point out that Japan is annually mulct in Y30,000,000 to fill the pockets of the sugar-cane farmers

in Formosa.¹ He said that Japan had become a Great Power, which is true only from the political standpoint, but he forgot to show that Imperialism has meant oppression and misery and the suppression of thought, reason, art, and religion.

A Japanese journalist, writing in the *Jitsugyo-no-Sekai*, said :—

“ It is a relic of the feudal times to draw a distinct line of demarcation between the Government officials and the rest of the populace, and to attach supreme weight and importance to the former as being far above the latter. It is all very well for the official to respect himself as a trustee of power, but for the people to accord him a markedly special treatment, as if he were of nobler race is quite nonsensical. . . . The popular tendency of over-rating officials is traceable to the ‘ Government-respecting, people despising idea,’ a relic of feudalism. Militarists of olden times, however, had rightly a claim to be regarded as the head and front of the nation, rising over and above the general current of the times in their unimpeachable principles of morality, their excellent learning and their profound wisdom. Government officials of to-day have no such reasons to be superior to the general public. The Privy Council is, it is superfluous to say, the highest organ of administration in direct contact with the Emperor, and therefore its members are all shining lights of the nation. However, it is a recent fact that a Privy Councillor, while Governor a few years ago, possessed himself of a valuable gold screen by suspicious means.² Does a fellow who is so mean as to ‘ pocket ’ a gold screen think himself entitled to eulogize the people? ”

¹ Sugar cost in 1913 25 *sen* per lb., of which 15 *sen* is duty and excise.

² Baron Sufu, Privy Councillor and ex-Governor of Kanagawa Ken, was alleged to have acquired a valuable gold screen, belonging to the Kanagawa Prefectural authorities. Whatever the facts were the matter was hushed up by the influence of the Baron's patron, Prince Yamagata, who was reported to have been the ultimate beneficiary. The Baron resigned his office and became *inkyō*.

One of the most striking characteristics of the Japanese is the facility with which they accept compromise, or even worse, the ready adoption of the make-belief for the real. I have referred elsewhere to the notorious *nayboen* system, by which an event is well known in fact but officially unrecognized. For example, a person of position dies, but though all the world knows that he is defunct, no announcement can be made of the fact until official recognition of the circumstance has been obtained. When the late Prince Arisugawa died at Maiko in 1913, the corpse was coffined and brought up to Tokyo, but the announcement of his decease was not made until the body had arrived at his palace. Similarly, when the Empress-Dowager died at Numadzu last year the body, dressed in ceremonial attire, was brought to Tokyo three days later, was met at Shimbashi Station by the dignitaries of the land, placed in an Imperial landau and, escorted by lancers and the Imperial banner, driven to the Aoyama Palace, every ceremony being carried out as for a living person. After arrival at the Palace a special Gazette was issued: "Her Majesty, the Empress Dowager, arrived at the Aoyama Palace from Numadzu this evening." A little later another notification was issued: "Her Majesty, the Empress Dowager, passed away at the Aoyama Palace," even a fictitious hour and minute of death being attached. Thus in both cases was the real truth ignored, the customs of centuries observed, and the etiquette that an Imperial personage cannot die outside of a certain radius of the Chiyoda Palace strictly enforced. This spirit of compromise is to be found throughout Japanese society. It is to be recognized in the refusal to accept payment or gifts. If money be offered to a Japanese he will refuse it. In reality he has no intention whatsoever of refusing, but it is not etiquette to accept until the fourth time of asking, and both the donor and the receiver well know this.¹ The acceptance of the

¹ This hardly applies in dealings with foreigners, who are more apt to take people at their word. Japanese do not generally refuse a foreigner's gift more than once and often not that.

apparent for the real is to be seen throughout politics, business, and religion. Nowhere is it more evident than in the balance sheets of financial and commercial institutions. I have tried to show elsewhere that the whole political system in Japan is make-belief. The democratic movement only resulted in nominal concessions, whilst in fact the official power was widely extended. In religion it is the same. The Japanese really have no fixed religious beliefs, but the popularity of creeds and sects changes with startling frequency and momentum. At times the authorities feel the need of some ethical force, or recognize the necessity for some concession to the hysteria of the moment, which may have its origin in sentiment or in the material distress of the people. At such times officialdom cudgels its brains to find some formula, which, in no way affecting its own prestige and authority, will at least warrant the belief that something is being done to meet the popular wishes. It was this "window-dressing" ability which gave rise to the immense extension of the Ninomiya doctrine, and to the vogue of the Boshin Rescript. ✓

Ninomiya Sontaku, the Peasant Sage, was born in 1787 at Kayama, near Odawara. His father was a man of charitable disposition, who gave nearly all he possessed to the poor, and who was finally ruined by the overflowing of the River Sa, which destroyed his property. When his son was twelve years old the father died. The boy showed himself hard-working and eager to learn. On his journeys into the village he carried a small tray of sand, so that at his meals and halts he could practise the ideographs with the aid of his chopsticks. When employed in hulling rice he would set up a book so that each time as he walked round the mill he could read a word or two. He devoted much of his time to studying rural life, and devised a plan for planting trees along the Sa to strengthen its banks and prevent further inundations. At the age of sixteen he lost his mother, and went to live with an uncle, a mean old fellow, who scoffed at his studies, and grudged him oil for his reading lamp.

After a few years he returned to Kayama, and by much labour re-obtained his father's property, and restored it to a flourishing condition. Hearing of this success, a much-embarrassed feudal lord of Odawara offered him the post of manager, which he accepted on terms of absolute authority, and in five years handed back the property free of debt and producing a respectable income. His next venture was the resurrection of Sakuramachi, a district which had fallen into great distress, and from once feeding 800 families, could only supply 136. At the end of twelve years from his granaries he fed, during the famine of 1836, forty thousand souls outside of the district, and lent large sums of money, the product of years of labour and economy. It is to be understood that Ninomiya reaped no personal advantages from his actions, beyond the respect of men and the happiness which good work gives. The rest of his life was devoted to similar ventures, and he died in the seventh year of Kaei (1854). His followers have established a religion known as Hotoku.

Ninomiya was a product of his time, an age when the upper classes were living in inordinate luxury and ease, when the Shogunate was rapidly impoverishing the land, when religion was neglected and the priests were vicious and abandoned, and crime was rapidly in the ascendant. He was not a religious man in the modern sense of the word. He had no use for temples or priests, for the former swallowed up the wealth, whilst the latter could not produce it. When a Buddhist priest came to see him, Ninomiya asked, "Can you draw a bean?" The priest did so. "Will a horse eat your bean?" asked Ninomiya. The priest shook his head. "A horse will eat these beans," said Ninomiya, diving a hand into his sleeve and producing a palm-full of the real article. For scholars he had as little reverence. "True learning is not a knowledge of books. Learning is not learning unless it is practical, and capable of practical application." "Good thoughts are nice, but good conduct is better." Speaking of the then philosophical renaissance, he said :

"The scenery of Nikko is beautiful, but it cannot be eaten."

Though Ninomiya had no use for religion as he found it, he created a religion, the principles of which were patriotism, morality, and industry. His patriotism was, it is to be presumed, feudal loyalty, for of national patriotism there was in those days no idea. His moral doctrine was combined with his industrial. Self-help, gratitude, co-operation were counterbalanced by unflinching toil and economy. Work, useful, physical work was to be the anodyne for mental anguish. Gratitude for favours received from heaven and earth and man meant a continuance of benefits in the future. Humanity was the great virtue, and could only be learned by helping others. His industry was real. A terrific worker himself, he had an eagle eye for slackers and shammers. A gang leader much praised one of his men for his hard work, but Ninomiya, who had watched the man, gave him a fearful lecture, because he only worked when the leader was around. An old man was upbraided for his small output, but the sage reproved the foreman, because the man was old and actually worked as hard as he could, and his example was therefore good, even if the results of his labour were small. He introduced many reforms, reclaiming waste land, importing labour where hands were few, providing homes for the men; he lent money to farmers without interest, only demanding that the borrowers should stick the loan-ticket on the family altar and express gratitude to the gods each day; he bought and lent out implements, and organized sales and purchases on a co-operative basis. His economy was simple, though it has attained great renown. *Bundo* was the fixing of a limit to expenditure, and this limit must be within the margin of income. As a corollary, all extravagance and luxury were to be avoided. If the Ninomiya doctrine be summarized it consisted of sincerity, industry, economy, and service. He recommended no special religion or code of ethics. He said: "As various paths lead to the top of Fuji, so truth may

be reached through various religions. My own is a spoonful of Confucianism, with half a spoonful each of Buddhism and Shinto."

The recent history of Hotoku is a striking example of the half-measures which the Japanese are ready to accept in amelioration of their social troubles. In 1908, when the country was suffering under the supreme depression which followed the boom of 1906-7, the authorities sought a way out of their difficulties, and naturally enough a way which should avoid their own errors and mal-administration. They decided that the cause of the trouble was the extravagance and luxury of the people, and the Boshin Rescript on thrift was issued, enjoining the reduction of expenditure, the increase of economy and strict fulfilment of the doctrines of Ninomiya. Co-operative societies, for the propagation of those doctrines, were established under august patronage, and these now number 1,640 controlling funds to a total of ¥19,000,000.

It was typical of the governmental attitude to charge the extravagance and enjoin the thrift on the people, whilst their own reckless expenditure and borrowing continued unchecked, and it was equally characteristic of the people to accept an Imperial pronouncement on the Ninomiya doctrine as a sufficient relief of their own burdens. As results have shown, the Boshin Rescript has been a disastrous failure. It encouraged and gave a semi-divine authority to a parsimony, which quickly led to a stagnation of trade. On the one hand it ordered a saving of money, on the other an increase of production. But what was the good of developing output if the market was simultaneously closed. The Boshin Rescript totally ignored the changed conditions in Japan since the days of Ninomiya, and that the sage's activities were mainly directed to the development of waste areas, and not of modern industries. If the theories of Ninomiya were to have had any beneficial effect at all in 1908, they should have been enjoined on the Army and the Navy and the Treasury rather than on the common people.

No mention of vague and inchoate schemes of relief should omit a reference to the Red Cross Society, and to the *Saseikwai*, the Imperial Charity Fund. The former must be one of the largest organizations of its kind in the world. It was founded by the late Counts Sano and Ogyu at the time of the Satsuma rebellion, to give relief to the sick and wounded, joined the Hague Treaty in 1886, and during the China War had its first opportunity of demonstrating its utility and efficiency. The Society has in the past done much for the cause of charity, but during the present century has become to all intents and purposes an attachment of the War and Naval Departments. The Imperial patronage and the privileges given to members have gained for it an enormous membership and corresponding financial benefits, yet practically the only work it does is the maintenance of a few hospitals, which are to all intents and purposes Sanatoria for government officials and officers. Japanese critics describe the Society and its magnificent headquarters in Shiba as 'the palace of mystery.' From being an extremely useful institution for the relief of sickness, the Society has become a training school for nurses and doctors for the Army and Navy, and has recently been placed under the supervision of the Ministers of those two departments, with a General as Director. The finances of the Society are not without interest, especially for those studying the Japanese military system. In 1911 the annual income was Y428,000, whilst the Reserve Fund stood at Y24,977,000, of which Y3,680,000 was cash in hand and on call, and the balance in securities. The annual expenditure totalled for hospital and relief purposes Y105,700, and for office expenses Y280,000. Only sixty-three cases of relief were dealt with by this great charitable organization during the year. It is certainly not a matter for surprise that the members complain that they are being hoodwinked under the guise of charity into financing a branch of the military services.

The Imperial Charity Association is a bird of the same family. It was started by an Imperial donation

of Y1,500,000 in 1910, and was stated by the second Katsura Ministry to be intended for the provision of medical assistance for the poor. The use of the Imperial name and cash gave it immediate popularity, and the government used every form of official and semi-official pressure to promote it. As government funds were not available, lists were drawn up, and the wealthy received intimations of how much they had each to subscribe. This method of benevolence produced promises of over Y30,000,000, and cheques to Y5,000,000. With the fall of the Katsura Ministry nothing more has been heard of the affair. No meetings have been held, no reports furnished, and nothing done for the objects mentioned in the Imperial Rescript beyond an appropriation of a quarter of a million yen for investigating purposes. The whole scheme was in reality an hysterical concoction, resultant on the Kotoku affair. It was a theatrical attempt to prove to the lower classes what was impossible of demonstration—a sympathy of the government for the condition of the masses.

There are one or two funny anecdotes in circulation with regard to the Imperial Charity Association. The following was recounted to me by the victim. A young and very wealthy 'nut' of Tokyo was advised by his family to study business, and accordingly obtained a position in the Industrial Bank as a clerk at Y15 per month. Being independent of his salary, he drove every day to the bank in a phaeton behind the smartest pair in Tokyo, and left every evening in the same manner. Having spent some months at the monotonous labour of rattling the *abacus*, he decided to demand an increase of wages, and put in a formal and humble application for an increase of salary by Y5 per mensem. The matter was deliberated by the directors, and in due course he received a letter of regret that his services were only worth Y15. By the same post he received a notification that he was expected to subscribe Y400,000 to the Imperial Charity Association, "I parted with Y50,000," he said, "and expressed regret that I could not do more owing

to certain financial expectations having unfortunately failed."

The poor in Japan are unhappily between two stools. Under the family system there is little scope for public benevolence, but with the increase of individualism responsibility falls from the family, and as yet in Japan there is no proper system whereby weaker brethren can be helped, and such ill-organized and hysterical efforts as the '*Saseikwai*' cannot prove of value. As unions for mutual help, except under the annihilating official patronage, are difficult of formation, owing to the confusion in the official mind between them and trades unions, there seems to be nothing for the Japanese poor to do but die.

Luxurious tendencies are constantly quoted as a cause of financial and economic depression in Japan. I would not deny for a moment that extravagance and inefficiency are two of the existing evils of the country. If luxuries mean an advance in the standard of living, it is fallacious to argue that they check the progress of the nation. The consumption of meat, if it became general throughout Japan, would be a very considerable advance in the standard of living, but it would be entirely wrong to class it as a luxury, which would impoverish the country. Rather would it be of considerable benefit, for it would greatly develop stock-farming, encourage agriculture to provide fodder and improve the stamina of the people. Sumptuary laws have never succeeded in their objects, and only lead extravagance into artificial channels. When the Tokugawas forbade the wearing of silk, and the use of gold and silver ornaments in Yedo, it merely created an outward show of humility, for the citizens lined their cotton *kimono* with silk, whilst tobacco pouches and ornaments were made of gold and silver coated with iron, a quaint conceit still to be discerned in the Tokyo of to-day. When Philip II of Spain forbade the use of silken skirts for the merchants' womenfolk, they took to wearing gorgeous petticoats, and even a few years ago in Bogota and other parts of Spanish South America

a woman's rank was estimable by the number and elegance of her underclothes. Luxurious tendencies are undoubtedly rife in Japan, but they are to be observed amongst the upper classes and government officials, and little enough is done by the authorities to check their extravagance. The prodigality of an Iwakura or an Otani is only a matter for restraint when it produces a public scandal. That a high official of the Imperial Household should be deprived of office and titles for contracting debts of ¥3,000,000, and afterwards figure in the law courts for a matter of a necklace valued at ¥85,000 given to his mistress, a Shimbashi *geisha*, and not paid for, was presumptive evidence that thrift needed preaching nearer to high quarters than the Boshin Rescript was aimed.

Authority in Japan never has recognized any mote in its own eye, and certain sections of society have always been rather petted and praised for their extravagance. A taste for literature, a convenient memory for the Confucian Analects, a pleasing discrimination in food, and a careless disregard for money have more often than not been a passport to position and office. This is by no means strange, when it is recalled that the sole occupation of the Kyoto Court was the turning of phrases and the concoction of poems, interspersed with attendance on a throne occupied with the similar hard labour. A like tendency will be found in all countries where concubinage is permitted. Confucius says: "The charm of the feminine overcometh the strong man's will," and it is quite understandable. Whatever may be the theoretical position of woman to man, there is no doubt that behind the *shoji* the softer sex is the stronger partner, and, of course, numbers tell. As a Japanese writer I have already quoted has pointed out, the woman of the middle and upper classes are crying cause of extravagance.

Another undoubted cause of extravagance, and one which is beginning to provoke attention in Japan itself, is the national self-complacency, which has developed

into a terrible self-conceit since the war with Russia. As the outside world has understood for a long time, Japan did not gain a glorious victory. At the best it was a drawn conflict, and if it had been continued Japan might conceivably have suffered an actual defeat. It would perhaps be unreasonable to expect the leaders of the nation to have explained this, but it is not unreasonable to blame them for having gone to the other extreme and used the war as the basis for an orgy of self-glorification. The result has been to fill the people with silly ideas of their own importance and worth, with the consequence that though in natural resources one of the poorest countries in the world, over-taxed, over-populated, and underfed, Japan has been trying to ape richer and far more prosperous nations. "The shell of the crab defines the size of its hole," is a proverb which has gone out of mind during recent years. The eulogistic lectures of school teachers, saturated with bureaucracy, has created a class of student which is likely to cause trouble in the future. If schoolboys are brought up in the belief that the acquisition of money is all that counts, the outlook is poor. Few Japanese are taught either at home or at school that there should be any relationship between income and expenditure. Speaking generally, figures have no interest for Japanese, who in money matters are gloriously vague and painfully optimistic, another relic of feudalism.

The social evil is a very important cause of extravagance, and here I refer not only to the inhabitants of the *yoshiwara*, but also to the *geisha*. The looseness of Japanese sexual morality is a byword in America, and the length of the China coast, wherever there are Japanese settlements. Describing the Japanese colony outside Oakland in California, a Japanese writes: "The population is 600. There are thirteen inns, thirteen billiard-rooms, six or seven restaurants and bars, besides a number of brothels and gambling-hells." The foreigner in considering Japanese morality is always in difficulty whether to describe it as unmoral or immoral. The prevalence

of courtesans is an evil, which figured prominently in the earliest accounts of Japan, and is as prominent to-day. The records of the Deshima factors prove the equanimity with which the natives regarded feminine frailty in pre-Restoration days, whilst the title of Court Ladies, until only a few years ago, was a euphemism for secondary wives of the Mikado. (The present Emperor is the son of a concubine, his mother, the Lady Yanigawara having been chosen to bear the Imperial offspring by the late Empress Haruko, when the doctors declared the latter barren.) With the prostitutes of the *yoshiwara* and other licensed quarters, we are not concerned here beyond saying that they and their maids number 1,800,000, and that in all there are some 3,000,000 persons in Japan living directly or indirectly from the proceeds of legalized prostitution, excluding *geisha* and parents of prostitutes. Female honour has little value in Japan beyond a financial one, and a daughter or a wife must sacrifice herself for her family or her husband in accordance with filial piety or obedience. Two instances of this came under my personal notice. My cook gave notice, and in reply to inquiries, informed my wife she must return to her village to look after her parents, as her father, who had made a bad speculation, had been obliged to sell his other daughter 'to the naughty life' to pay some of his debts. The other case was that of an employé of an American company, who embezzled some hundreds of yen. He had the alternative of refunding the money or being prosecuted, and was given three days' grace to decide. At the end of three days he returned, accompanied by the whole family, grandparents, parents, and three sisters. An offer was made for most of the money to be repaid within a few days, the balance after six months. How was the money going to be raised? The grandfather explained. The two eldest girls were to go at once into a brothel, and the youngest, who was not yet sixteen, as soon as she reached that age. The manager rang his bell and sent for a policeman.

One of the most knotty points that came before the courts during 1912 had to do with the mortgage of a wife. The husband borrowed money and handed over his spouse as security. Some months later he sought to redeem his property, but both wife and mortgagee refused a settlement, and the judge had to decide whether the mortgage of a wife was legal, and if so whether the wife can refuse to be redeemed. I believe the matter was finally settled by the husband divorcing the wife and keeping the money.

The *geisha* was originally an entertainer, dependent solely on her art and accomplishments. She was the Japanese equivalent of the high-class *hetaira* of Athens, whose company was much sought by the literary and fashionable men. A *geisha*, then as now, was as much a part of a banquet as the *saké* or the rice, but then her company was sought for the amusement she provided, but now for more equivocal purposes. During the past years, and the decadence of the profession does not extend back more than twelve years, the condition and occupation of these girls has completely changed. The *geisha* who are only entertainers are few and far between, and the vast majority are practising illicit and secret prostitution. There are over 5,000 *geisha* in Tokyo, and it is estimated that a sum of twelve thousand yen is spent every night for their services, which represents a very considerable annual revenue, and the greatest portion of this amount is for their physical, and not for their mental, charms. In addition to these may be added tea-house girls, waitresses, and other classes, whose nominal occupations are only cloaks for Mrs. Warren's profession. The inmates of the *yoshiwara* number about 5,000, and increase at the rate of 100 per annum. The number of licensed *geisha* increases at double this figure, whilst the total number of this secret army of Cythera is said to exceed 100,000. The amount of revenue they obtain may be suggested by the fact that a *geisha* of fair renown disburses annually Y3,800. It is very difficult to obtain exact or even approximate figures, but the reports of the

Army doctors have drawn very serious attention to the menace to public health, which the failure of the segregation system entails, whilst the investigations of Professor Hiranuma of Waseda University demonstrate the social and economic dangers which are now becoming apparent.

The problems of the *geisha* and the *yoshiwara* raise the whole question of the position of women in Japan. Of the hundreds of thousands of women leading a life of shame, few are doing so from vanity or from choice. They have been forced to sacrifice themselves in response to the orders of those in authority over them. The inmates of the *geisha* house, of the *machiai* and the *yoshiwara*, lead a life of absolute slavery, and in all but a few cases it is a life of considerable physical hardship. They are bound for a number of years to their proprietors, and there is practically no limit to the power of the latter. Not only is this ruinous to the physique and morale of the women themselves, but they are becoming a serious menace to the State itself. Almost their only chance of freedom is to find a lover who will become sufficiently enamoured to purchase their release or generous enough in gifts to enable them to amass a hoard to the same end. That the former often occurs is well known, and some of the most prominent of the social hostesses of Tokyo, Osaka, and Kyoto have acquired their attainments whilst apprenticed in a *geisha* house. The first wife of the late Prince Katsura was a famous *geisha* of Nagoya. The sequel is to be seen daily in the records of the criminal courts, where embezzlement, fraud, and robbery are again and again diagnosed as due to intrigues with courtesans or *geisha*. It is not to be concealed that the wiser heads in Japan are awakening to these dangers, but it is doubtful if there is sufficient common sense abroad in the country to limit the *geisha* and her less renowned colleagues to their legitimate spheres.

The Feminist movement has made considerable progress during the last few years, though it has not attained anything like the position which it occupies in America or Great Britain. The women of Japan have hitherto

been regulated according to an 'ancient moral code, which is summarized in the *Onna Daigaku*.¹ In short, it is obedience to the father before marriage, to the husband during marriage, and to the son during widowhood. The whole idea of woman is negative, a condition which dates from the rise of the Shogunate. Woman was and is the chattel of her lord and master, be he father, husband, or son. Her principal characteristic is 'stupidity,' and her principal virtue blind submission to her in-laws. The demarcation of the sexes in Japan has been hardly less complete than in India or Turkey, even though there is no *purdah* or *zenana*. There is no possession that the aristocrats guard more jealously than their women until the time comes to realize their assets by strengthening their family influence by advantageous marriages. To the lower classes the women are no less an asset, though the realization is often in cash value. The feminine in Japan are strictly guarded from all entanglements until the propitious moment, but no restriction is imposed on the predatory instincts of the males. It is this one-sidedness of life against which the Feminist movement is directed. The position of women is an outcome of the family system, and with that position women are frankly bored. They are no longer content to be the 'property of man, but demand education, the right to think, and the right to act. Even to-day women are not allowed to attend political meetings, but are classed under the existing law as 'vagabonds, robbers, and Liberals,' and a proposal in 1912 to amend the law so as to permit their attendance was rejected on Government initiative by a large majority. That there is as yet no properly organized movement of revolt is true, and the organization of such a movement would meet with scant courtesy from the powers that be, for it would surely be regarded as a step as dangerous as

¹ Kaibara Ekken, the author of *Onna Daigaku* (The Greater Learning for Women) was a Japanese moralist of the eighteenth century; see *Women and Wisdom of Japan*. Murray, 1915; *Things Japanese*, by Professor Basil Chamberlain.

the Kotoku plot. It does not seem likely that authority will willingly do much to lighten the degradation and humiliation of the sex. When Dr. Eliot of Harvard wrote urging an improvement in the educational facilities for women, Viscount Kaneko deliberately altered the letter, putting into the Doctor's mouth words of such opposite view as to produce a stinging rebuke. There is strong opposition to the emancipation of women, based curiously enough on a possible danger to the morals of the community. It is unfortunately true that some leaders of the movement have expressed views on matters better undiscussed in public, but there is no reason to believe that any serious degeneration of the feminine virtues would result from greater freedom. In any case it is doubtful whether the experiment could produce any worse state of affairs than that which exists at present, with the glorification of vice in the *yoshiwara*, the slavery of the *geisha*, and a divorce and concubinage system which is closely akin to the freest love with consent necessary only on the man's side. In what other so-called civilized country in the world could a Member of Parliament challenge the whole Cabinet with keeping concubines as well as wives, and be answered only with a smug smile of assent? Yet this happened in March, 1912, in Japan. Is there any other country where the purchase of a leading *geisha* (or the national equivalent) to be his concubine by the greatest steamship magnate of the land would be heralded with congratulations and interviews and pictures in the papers? Yet this occurred in October, 1913, and the happy man was Baron Kondo Rempei of the Nippon Yusen Kaisha. True, some slight concessions have been made to modern demands, but much still remains to be done before Japanese women receive either the consideration which their character demands or the position to which their intelligence and number entitles them.¹

¹ The number of marriages in 1912 was 441,222, of which 13,028 were Ninfu-Konin (man marries a widow and takes her family name), and 28,302 Mukoyoshi (adopted son marries the daughter of the

The Japanese press can do much to obtain an improvement in the position of women, and the passing of the many social and financial reforms which are so necessary for the prosperity of the country.

house). The number of divorces was 59,432, 59,019 of which were by mutual consent. Six per cent. of the divorces were within five years of marriage and eight per cent. within ten years.

CHAPTER SEVEN

SOCIAL CONDITIONS

PART II

THE history of the press in Japan is to a great extent the history of democracy in that country. Previous to the Restoration there were news or broad sheets, but it was not until after the Meiji Era had been inaugurated that journalism in the Western sense of the word became known. The first daily was established at Yokohama in 1878, and within four years a hundred newspapers were being published in Japan, and to-day there is no country in the world which is so well supplied with newspapers. Political journalism dates from 1873, when the split in the clans over the Korean question led to the rise of a democratic party, and the few editors were only pro—or anti—the government. The political party era gave a great impetus to writing, and on the principle that news is knowledge, and knowledge is power, the papers acquired considerable influence. Then followed a short period when the printing press fought for and against the worship of foreign ideals, and in 1889 representative government under one guise or another became the principal subject of conflict between the doctrinaires of Kyo-bashi, and remains so to-day.

There are three points of interest in connection with the Japanese press. The first is the extent of its independence, the second is the extent of its influence, and the third its lack of self-respect. In 1801 Napoleon I suppressed *Le Journal des Débats*, but a few months later re-established it as *Le Journal de l'Empire*, at

the same time issuing the following instruction to the editor: "Nothing shall be published which can be considered unfavourable to the government until such time as the truth is so well known that publication is unnecessary."

That is also the policy of the Japanese Government in regard to the press. The Foreign, Naval, Army, and Home Departments have power to suppress any newspaper or any edition of any newspaper publishing matter considered objectionable to the authorities, and in addition there is a standing prohibition against publishing anything reflecting on the Imperial Family or Ancestry. So much for the direct power of the authorities over the press. Indirectly official influence is very strong. Most of the important papers have some connection with the powers that be. *Kokumin Shimbun* was the organ of the late Prince Katsura, and is now the organ of Baron Kato and the Rikken Doshikai. *Jiji Shimpō*, founded by Fukuzawa, the Sage of Mito, was the organ of the late Count Hayashi, and draws largely on Keio for its initiative and writers. *Chuo Shimbun* belongs to Mr. Ooka, ex-President of the Diet and leader of the Seiyūkwaï. *Nippon Shimbun* long ago had a reputation in financial matters, and has behind it a strong Capitalist group, headed by an ex-Director of the Bank of Japan. *Nichi-Nichi Shimbun* was formerly the property of Baron Kato, but now is controlled from the War Office. *Hochi Shimbun* is controlled by Count Okuma. The largest papers in Japan are the twin *Asahi Shimbun*, of Tokyo and Osaka, owned by Mr. Murayama. This gentleman, though no journalist or writer, has raised his property from an obscure sheet to a great journal, and has done it by the merit of his energy and straightforward dealing. He is the Burnham of Japan. It will be clear from the above that all the leading papers, except the *Asahi*, have behind them some party or statesmen, and there are many other papers besides those I have mentioned with which politicians are closely connected.

In addition to this personal influence, which varies

the importance of a paper according to the party in power, the Government keeps a close grip on the press by means of the Press Clubs of the various departments. By this means it is the easiest thing in the world for public opinion to be directed in the path desired. Nowhere is this more noticeable than in the comment on foreign affairs. I do not recollect ever having seen any newspaper criticize the Foreign Office for its aggressive policy towards China, though I have seen many and many criticisms of its so-called weakness. This latter is due to the pressure of the War Office, which issues its own *communiqués* on China, and does not hesitate to appeal to the Chauvinism of the nation to obtain support for its own ends. It must be remembered that the Foreign Office does not shape the foreign policy of the country, but only conducts it. The following extract from a lecture given by Mr. Sawada, of the Japanese Embassy in London, fully illustrates this point, that in foreign affairs the Japanese press always adopts the motto : " My country's gain, right or wrong." He said : " In 1894 all the papers without exception appealed for the justice of the Chinese War. The newspapers stirred the enthusiasm of the people. . . . The power of the newspapers was again shown in the case of the Russo-Japanese War. Perceiving the inevitableness of the war, all the newspapers united in arguing for submitting the whole controversy to the tribunal of the sword. Thus they educated public opinion. But for the strong national sentiment in favour of war expressed by the newspapers, the Government could not have come to such an audacious decision." Or again : " The moment anything occurs which seriously affects the national honour and the vital interests of the country, all newspapers unite to support the measures taken by the Government." Mr. Sawada omitted to mention that unless they did so they would be suppressed. He also forgot the numerous preparatory articles by Mutsu and Hayashi, which prepared public opinion for the China War, nor did he mention Hayashi's press propaganda in Japan and abroad, supported by

the writings of Dr. Ariga and the other Tokyo professors, which led the way to the Russian War.

The extent of the influence of the Japanese press is a question very much debated in that country. Japanese journalists, when discussing the matter, adopt a very lofty tone, and almost assert to themselves the responsibilities of government. This may or may not be due to a nice professional conceit. The rapid progress of journalism in Japan was undoubtedly due to the pre-eminence of the men with whom it was associated. They wrote not only to make money or to advance themselves, but to propagate the ideas, political or social, in which they believed. The names of Fukuzawa, Fukuchi, Ozaki, Shimada, Tokutomi, Matsuda, and Mutsu are definitely associated with certain political principles, and will remain so associated long after their connection with journalism has been forgotten. The early Japanese press, like the early political parties, drew its inspiration and owed its popularity to personal influence. The present Japanese press owes its popularity entirely to the ability with which the circulation department is managed. It has been unfortunate that the history of the Japanese press has been so modern that it has no tradition, and owes most of its teaching to American methods, and these by no means of the best standard in America.

I should say that the Japanese press cannot create a cause, but it can lend very powerful support to a movement, and it is to its credit that during recent years it has been able to focus public attention on certain matters, and has succeeded in getting improvements inaugurated. Even so, it must regretfully be admitted that such action has only too often been due to selfish, rather than public, motives.

The worst feature of the press, and there is no paper which can be excluded from the criticism, is its lack of self-respect. A Japanese editor has absolutely no idea of fairmindedness, no idea of courtesy, no idea of decency, and but little idea of truth. The present Minister of Justice, Mr. Ozaki, in a criticism of the press, ascribed

four major faults to the fourth estate—obscenity, untruth, partiality, and scandal, and his opinion is amply confirmed by other men of position and by a study of the columns of the daily press.

The '3rd' page is an institution with Japanese. On it are published the most libellous, pornographic, and scandalous statements with regard to persons in all grades of society, and without the slightest regard for decency and truth. The law of libel is so vague that it is almost impossible to take action, and it is now customary not to sue on anything appearing on that page. Yet every year many and many a life is ruined, and innumerable suicides are caused by the filthy innuendo appearing there. Charles Brookfield's words apply with more force to the journalists of Tokyo than to those of any other country: "God, who in His infinite mercy has deprived the negro of his sense of smell, appears also to have deprived the journalist of his sense of decency."

There is a strong foreign press in Japan. *The Japan Mail*, founded by the late Captain Brinkley, was for many years the leading foreign organ, and in spite of its Japanophile proclivities, was for very many years a delight to the reader, not only for the agility of its argument and the wide knowledge of its contributors, but for the purity and elegance of its language. Since its acquisition by the semi-official syndicate it has lost most of its influence, whilst its new proprietors display a pleasing disregard of the English language and manners.

The Japan Advertiser is run on rather American lines, its owner being of that nationality, and may be considered to represent the American point of view. *The Japan Gazette* is a British organ, published in Yokohama, and represents the interests of foreign commerce. *The Japan Herald* was a German-owned journal, which was closed down after the outbreak of war. As all German papers in the Far East, it was closely in touch with German officialdom, and a great number of its articles were written in the German Embassy at Tokyo. When the *Herald*

was suppressed in 1914, *The Japan Mail* distinguished itself by likening its writings to the 'shrill shriekings of a wayside slut,' but even if true, the *Herald* could not be charged with leading a life of prostitution. *The Japan Chronicle* of Kobe is a strong and shrewd critic of things Japanese, and has again and again done good service to foreign interests by its reasoned arguments on political and commercial matters. At times it appears to the reader to devote too much space to "rubbing in," but it has the excuse that Japan is peculiarly a country where *laissez-faire* is omnipotent.

There is no department of public administration in Japan which gives rise to greater discontent amongst the people as a whole than that of justice.

It is at least some consolation that there is a very strong feeling on the matter, and that strenuous efforts are being made not only by politicians but by the numerous Bar Associations and by the more enlightened amongst the occupants of the bench for a radical reform of the codes and for a more liberal and humane administration of the criminal procedure.¹

That a nation gets the government it deserves is certainly untrue of Japan in this matter. The Japanese are by no manner of means a race endowed with criminal propensities. If the statistics of criminal administration show a percentage which appears to contradict this view, it is largely due to the creation of crimes to suit the code rather than the adaptation of a code to fit the crimes. In a country where it is the tradition of ages past that the end justifies the means, it is manifestly absurd to catalogue fraud and false swearing as high crimes and misdemeanours. Amongst a race where *hari-kiri* is a recognizedly proper method of terminating the weariness of existence, to ordain a penalty for unsuccessful suicide is either a *reductio ad absurdum* or an oversight on the part of the lawgivers. If it is murder to stab another person to death, even in a country where the educational authorities eulogize assassination for political

¹ Cf. *Japan Weekly Gazette*, February 27, 1914.

purposes, why is it highly praiseworthy to tie yourself to him or her with a scarf and then to push the composite bundle over a cliff. If it is a felony of the gravest for an Admiral to receive £40,000 for forwarding the order for a battleship, why is it no crime at all for a houseboy to receive 5 per cent. on all orders emanating from the house. It is a misdemeanour for a contractor to give a cheque for ¥500 to an official, but if the money is converted into an *objet d'art*, and given at New Year or the *bon*, it is legitimate. It is highly improper for a newspaper correspondent to offer a couple of shillings to the staff of the local telegraph office, and he is liable to punishment. If, however, he places the money in an envelope covering a letter to the chief of the local telegraph office, asking that the money be expended on tobacco or cakes, it may be accepted gratefully, and his messages will be expedited. A burglar, in Japanese law, is one who enters a house by violence, but if he enter with the aid of a *confrère* within the house, and is caught before he has left the house, then no charge can be made against him. A prostitute who carries on her business outside of the *yoshiwara* is liable to heavy penalties. A *geisha* who secretly prostitutes herself is liable to no penalty whatsoever.

Equally puzzling as the definitions of crime are the rules of procedure and evidence, whilst most appalling of all are the sentences which may be inflicted. Before, however, discussing these points it will be well to give an outline of the judicial system.

✓ Previous to 1874 the Police Bureau, which controls police affairs throughout the country, was attached to the Judicial Department. In that year the Bureau was transferred to the Home Department, and has formed since then probably the most important administrative section of that department.

✓ The Chief of Police Bureau is responsible, under the Home Minister, for the administration of police affairs throughout the Empire. Except in Tokyo, the police affairs are managed by the Governor of each prefecture.

In Tokyo they are confided to a special Metropolitan Police Office.

The duties of the police are to care for the public welfare, not only as against evildoers, but also as against fire, sickness, and immorality.

There are two capital hindrances to the satisfactory working of the Japanese police system. The first is that by its association with the Home Office, it has been reduced largely to a political weapon. Not only do the governors change with each cabinet, but also the Chief of the Police Bureau, the Chief of the Metropolitan Police, and the local Chiefs of Police. Their offices are rewards for political service, and an advantageous step towards future advancement. This is typical in the career of Viscount Oura, the present Home Minister, who commenced as a policeman, and gradually rose to cabinet rank as Home Minister, by a due subservience to his political leaders in *fu*, *ken*, and State. It was during the third and last Katsura Ministry, when Oura was Home Minister, that the most enlightening example was given of how not to use police. When the popular agitation against Katsura was at its highest, reserves were drafted in from the country: furious attempts were made to intimidate the opposition M.P.'s, and when these failed, police and gendarmerie were launched with drawn sabres on the crowds peacefully gathered in the streets to applaud the Seiyukwai members on their way to Parliament. It must be some satisfaction to Oura to remember that his rival Home Minister, Hara, adopted a precisely similar policy in analogous circumstances in the following year, and with equally disastrous results.

In the provinces the police are often the arbiters of elections. If the governor is Seiyukwai, it is a foregone conclusion that Seiyukwai will poll the majority. In cases where the majority has appeared to be going against the governor's party the police have time and again been ordered to prevent opposition voters from approaching the polling booths.

Indeed, so long as the local administration is on a

political footing, the ballot will be a farce. Only when governors and administrative officials are appointed for a term of years and the franchise widely extended will elections be free from coercion and bribery. It stands to reason that, if a governor and chief of police are liable to go out of office if the election goes against the party which nominated them, they will do everything humanly possible to secure the success of their patrons.

The second objection to the Japanese police system is one which permeates the whole judicial system on its criminal side. The police have the power not only of arrest, but also of detention and punishment.

The police system is not based on laws submitted to Parliament. It rests on Imperial Ordinances issued in accordance with Art. 9 of the Constitution, whereby the police may arrest persons and seize property, detaining the former up to thirty-six hours, and the latter up to thirty days. They may also impose fines not exceeding Y25 at a time, plus any expenses incurred. They have, in addition, unlimited control over public meetings, associations, and societies; over the publication of all newspapers, pamphlets, and books; over all questions arising between employers and employed, in addition to ✓ all sanitary questions, including the sale and prescription of all materia medica and drugs. (It may be noted that the Police Handbook is over two inches thick.)

It is obvious that the extensive scope of police authority, coupled to the political basis of the whole system, makes it a very powerful weapon in the hands of an unscrupulous statesman. No one who has watched the policeman stalking through a country village and noticed the grovellings and bowings of the common people can doubt the awesome terror in which he is held.

In addition to the regular police, there is in every town a force of gendarmerie, attached to the local military forces. These aid and supplement the ordinary *junsu* when necessary, and in times of war and martial law become themselves the principal police force, aided and supplemented by the Home Office Police.

The criminal law is administered according to a uniform code, with regulations promulgated by Imperial Ordinance, dealing with Court procedure, the rules of evidence, bail, and court fees.

A criminal pursuit can be initiated by either a private person or the public authorities, but in both cases it passes through the hands of a Public Procurator. The procuratorial system, as conducted in Japan, is the most striking survival of the Inquisition. It is the unrestrained abuse of the rights and privileges of the Procurator which is at the bottom of the present wide agitation for a reform *en bloc* of the judicial system, and for the introduction of trial by jury. The procuratorial system *au Japonais* is the exemplification of the annihilation of personal rights.

In theory the Public Procurator is merely a prosecuting attorney, counsel for the Treasury. In practice he is investigator, prosecutor, and judge.

In the case of an inquiry being opened into an affair, the Procurator instructs the police to make preliminary inquiries. On their reports he decides on such further steps as he considers desirable. This generally takes the form of summoning persons concerned before him. He has no right whatsoever to order a person to be arrested and brought before him, nor have the police any right to arrest any person, unless caught *flagrante delicto*, or unless they are provided with a warrant from an Examining Magistrate. Nevertheless, in at least 50 per cent. of the criminal cases in Japan the Procurator takes the above steps.

On the arrival of the suspect he is examined. That is to say, the Procurator asks him questions, and in the event of the suspect being acquainted with law, and refusing to answer, he bullies and threatens him, often using abusive language, and compulsorily detaining him without food or drink. Be it noted that he has no legal right whatsoever to do so. If the Procurator considers he has or can make a case, he sends the suspected person before an Examining Magistrate, who formally orders

his arrest. The Examining Magistrate can commit an accused person to prison, and can keep him there for any period he likes on the sole condition that he examines him once in ten days. The examination often consists of a single question and answer, which in the case of a person of social position, is frequently an inquiry after his health.

During this preliminary trial the accused is refused access to his papers and books ; he is not allowed communication with his lawyers, and often not with his friends ; he is not allowed to call witnesses nor to ask to be confronted with witnesses. He is liable to be examined for any length of time by the judge without intervals for sleep, or for food or drink, or contrariwise never to be examined at all.

In addition to what is allowed, it is common for the judges to threaten, coerce, bribe, and otherwise attempt to influence accused person's statements. A practice strictly against the law, but much in vogue, is to permit the Procurator to be present at examination by the Judge, and even to examine accused persons himself. Physical torture is no longer legal, but constantly occurs, whilst mixed mental and physical torture is of everyday occurrence. Undoubtedly Japanophiles and the members of the Japan Societies over the world will turn up their eyes and exclaim, "What a liar this man is !" The evidence of the infliction of torture is too overwhelming to be even disputed, not only in Korea and Formosa but in Japan itself.

The most famous, because the most widely known, case was the Korean conspiracy case, which dragged its course from 1910 to 1913. A number of Korean Christians, headed by Baron Yun-chi-ho, were arrested and charged with a conspiracy to assassinate Count Terauchi, Governor-General of Korea. One hundred and nine out of one hundred and twenty-seven were convicted and sentenced to a total of several hundred years' imprisonment. Now the mere conviction of a few scores of natives was not sensational, but in the course of the trial allegations were made against American and British

missionaries of having incited the plot. The authorities refused to charge the missionaries, who were thus unable to refute the allegations in open court. When the defence opened, allegations were made that the prisoners had been cruelly ill-treated, and that the confessions unctuously displayed by the Procurators had been extracted by torture. Never was anything truer. It turned out that the miserable Christians had been fiendishly tortured for days and weeks by the Japanese gendarmerie and police. Reuter's messages to London bluntly conveyed this information, and the British Government, to its credit, telegraphed to the Ambassador at Tokyo for a report of the trial, and the Consul-General at Seoul furnished the same. The concluding sentence of that report was: "The whole trial was a travesty of Justice." A copy of this report was unofficially conveyed by the Ambassador to Viscount Uchida, the Foreign Minister, with an intimation that Great Britain, in consenting to the annexation of Korea, had received an assurance from the Japanese Government that Koreans would be fairly treated, and unless this assurance was carried out at the trial in Appeal, something very unpleasant was going to happen. The result was that all except six were acquitted, and these six had their sentences much reduced. The Supreme Court reversed the latter part of this judgment, and sent the case of the six for re-trial. The Lower Court, however, re-imposed the sentences, and a further appeal to the Supreme Court failed.

This case attained considerable notoriety, firstly on account of the attitude of the Japanese authorities towards Christians, which was a matter of deep interest to religious bodies throughout the world, and secondly because of a very pretty quarrel as to the manner in which the case was reported in the American press. It even became an argument in the abortive petition of the *Sun* newspaper for the dissolution of the Associated Press under the Sherman Law.

Another case of absorbing interest was the Kotoku High Treason Case in 1908. It was alleged that Kotoku

and his associates had formed a plot to murder the Emperor. They were arrested, tried in secret before a Special Commission, and executed. It is highly doubtful whether there ever was a plot against the life of the Emperor. There was undoubtedly a plot, but it was directed against the late Prince Katsura. It was at a time when there was a great deal of discontent. Katsura, whilst a statesman of the greatest ability, had an overweening belief in his own capacity. A public trial would certainly have evoked a popular movement against him, and of sympathy for the accused, the more so as the assassination of an unpopular statesman is justified by many precedents in Japan. A charge of high treason was therefore framed up, and a speedy and satisfactory end achieved by a commission of complacent judges and the executioner's sword. One of the prison officials told me that the only evidence of high treason was a very loosely-worded letter and a confession, the latter being obtained by corporal punishment.

Other notable cases of the recent application of torture are the Formosan conspiracies of 1913 and 1914, where the treatment of the prisoners was so revoltingly cruel that the Tokyo Barristers' Association sent over a special commission, headed by Mr. Masujima, Lawyer to the British Embassy at Tokyo, and a Barrister of the Inner Temple, and of the New York State Bar at Albany, to inquire into the allegations. The report of the commission fully confirmed the truth of the allegations. Amongst its passages the following may be quoted: "Four unfortunate persons have already been tortured to death, and eight or nine out of every ten arrested have been tortured during imprisonment.

A well-proven case of torture of an old woman at Utsonimiya, in 1912, resulted in a general strike of the bar of that court until the procurators and examining judges concerned had been removed.

Hardly a day passes in Japan without a revelation of police torture and procuratorial abuse. In one case a man, Nakajuna Masakichi, was convicted in May, 1913,

and sentenced to five years' imprisonment for burglary on the evidence of his wife, taken in secret in preliminary examination. Subsequently in May, 1914, another man was arrested for quite a different crime, and confessed spontaneously to the burglary. Inquiry was then made as to the wife's alleged evidence. It was proved that she had steadfastly denied her husband's guilt. The Procurator had arrested her, had her detained in the police cells below the court. These cells, which consist of three brick walls with iron bars, like a cage, across the front, open on to a public corridor. Here the poor woman had been stripped stark-naked, although she was *enceinte*, and locked up, to be gazed and jeered at by every passer-by. After three days she had confessed that her husband might have committed the burglary.

After the real culprit had been convicted, her husband was tried again in the Court of Appeal and acquitted *for lack of evidence*.

Nobody in Japan is ever properly acquitted. The view of the courts is that procurator and judge alike are public officials. If an accused person is declared not guilty, then it is obvious that somebody, Procurator or Judge, or both, has blundered. As a person who is a public official *ipso facto* cannot blunder, therefore, the prisoner must be guilty, even if there is not sufficient evidence to sentence him. Thus is the 'face' of the Procurator and Examining Judge saved. ✓

In June, 1913, Shima Sadiji, aged eighteen, was arrested and charged with arson at Nagoya. Under pressure from the police he confessed, and was sentenced to five years' penal servitude. In October Yogo Shimpei was arrested at Shidzuoka for arson, and evidence was found on him that he was guilty of the Nagoya and other cases. In January, 1914, he was sentenced to penal servitude for life. It was not until May, 1914, that a retrial of Shima Sadiji was ordered, when the previous judgment was quashed for lack of evidence.

In February, 1914, three men were charged with rape and robbery at Shidzuoka. Tortured under preliminary

examination, they were sent for trial. Before the public hearing was opened the real culprits were identified and arrested. The case of the three men first arrested was adjourned *sine die*.

In 1906 two men were executed in connection with a murder at Gumba. On January 23, 1913, the real murderers were arrested, and it was shown that the two dead men had been convicted on confessions extracted under pressure.

Dr. Egi, who, with Dr. Hanai, leads the Tokyo Bar, wrote in *The Japan Times*: "In my experience I find that in five cases out of ten innocent persons are condemned, in one case the real culprit is acquitted, and in the remaining four cases the culprits are punished, but for accidental reasons."

A letter before me from another leading Tokyo barrister says: "Condemnation in a Japanese Court by no means indicates the guilt of the accused."

These cases of torture, which I have given, are not one hundredth part of the cases reported. Men and women are beaten, starved, their limbs twisted, constrained, and even burned as sacrifices to procuratorial ambition. In a recent case reported in Japan a woman was so beaten as to have her face swollen beyond recognition.

The record of the preliminary examination is not, according to the rulings of the Courts of Appeal, of any judicial value whatsoever, whilst the preliminary judgment has been described in a ruling of the Court of Cassation as "merely the expression of the examining judge's opinion."

That these rulings should be is highly correct. The record in innumerable cases consists of extorted confessions and evidence obtained by the Procurator's and Judge's bullying and threats. How often, in a Japanese Court, do you not hear the following dialogue:—

Presiding Judge (to accused). In your preliminary examination you said so and so.

Accused. Yes. I had been so many weeks under

arrest, and the Judge said that if I said so I would be set free.

It has been repeatedly proved that Procurators and Examining Judges, if they cannot get a witness to give evidence of the kind they require, fabricate the evidence themselves and put it on the record, and it has also been proved that, when evidence favourable to the prisoner is given it is suppressed from the record.

It will be argued that even if these things occur at preliminary examination, they can be rectified at public trial. They cannot. The Procurator in charge of a case dominates the whole proceedings. He sits with the judges: he takes part in their consultations: he can oppose any application for witnesses, and he can and does request the court to cut short the arguments of counsel. Judges in the District Courts are completely under the control of the Procurator, because on the Procurator-General depend the alternatives, promotion or transfer, to some distant and unimportant district.

In the Session of the Diet last spring a petition was presented by the *Rikken Doshikai*, embodying ninety-four common abuses of the judicial system, and pointing out the steps by which the procuratorial body has obtained a complete ascendancy over the judicial body, making the latter dependent on the former for promotion or office.

It is hardly necessary to state that the rules of evidence obtain as little respect from a Japanese Court as the rules of procedure.

During last year Dr. Oba, a judge of the Criminal Court of Cassation, resigned his high office for the purpose of leading a campaign for the better administration of the Criminal Law. In a lecture before the Society for the Study of Criminal Administration, he said: "The present code is a national disgrace. There is no protection of personal rights against official authority, which is too often guilty of unwarrantable abuse." He drew attention to the fact that the code was drafted during a summer holiday, and was never submitted to the scrutiny

of the Diet. He remarked on the premium it placed on crime by the fall in the value of life, and the wide discretion left to judges in the matter of sentences. "The life of a man," said Dr. Oba, "is now of less value than the life of a dog fifty years ago. Attempts at murder cannot be punished at all, whilst crimes of personal violence fluctuate between a police fine and ten years' penal servitude." For libel and for unlawful arrest there is no punishment, but for fraud or robbery sentence may range from a month to twenty years' imprisonment. For stealing a *furoshiki* (a cotton handkerchief) one man got twelve years, and another eighteen years for stealing five fowls, whilst thirteen years was the price of a tobacco pouch ; but for forging documents and embezzling a million yen the directors of a bank get off with a nominal sentence, with suspension of execution. A pickpocket gets about the same as a sand-bagger or highwayman.

Dr. Yokota, President of the Court of Cassation, and the highest judicial functionary in the land is no less condemnatory than Dr. Oba. He said : "The manner in which criminal investigations are conducted are a positive blot on the name of the country. The annihilation of personal rights, the abuse of authority, the use of threats and false detention, the infliction of physical pains—such barbarous practices all bear witness to the low level of our country's civilization." Mr. J. E. de Becker of Yokohama, the greatest authority on Japanese law, said : "The procurator succeeds to the errors of the police, and the judges to those of the procurator."

If the judges were independent, experienced, and educated they would be able to put the procurators in their places and keep them there, but unfortunately the reform of the administrative system in 1912 was utilized by the Procurator-General to remove from office all the independent men, who were bent on reform.¹ What is required is a thorough sorting out of the judges, and the appointment of men of education and experience with a large dose of common sense. When these have been

¹ Petition of Rikken Doshikai, presented to the Diet, 1914.

found, pay them properly. Fancy a judge of the High Court only getting £300 per annum! If government officials are properly paid the principal incentive to corruption will be removed. The sight of a judge holding up two fingers to signify that he will only give a favourable verdict in return for Y2,000 is not edifying, nor was the bad language he used (in open court) when he only got two hundred.¹

There is, among the judges on the criminal side, a total absence of moral and intellectual qualifications. Their verdicts show no relation between evidence and judgment. As Mr. Walter Denning has well said, they have no idea of logic, and, in addition, their independence is nominal, not real.

In relation to foreigners all proceedings should be most carefully watched by our diplomatic officials, and an end should be put to the policy of subordinating the rights and liberty of British subjects to the grand diplomacy of Downing Street. In no sphere has the Foreign Office shown less regard for its supposed principles than in the manner in which it has sacrificed individuals, whether it be in Japan, Mexico, or elsewhere. In Japan, in particular, no foreigner has a possibility of justice or fair trial unless he receives the firmest support from his government, and it is poor satisfaction for the victim to receive unofficial letters that 'the Japanese officials have been guilty of a gross breach of faith,' as Sir Claude MacDonald wrote in connection with such a case in 1913.

The principal additions to the Japanese Empire since the career of expansion began are Formosa and Korea. Their products are sugar, camphor, ginseng, and conspiracies, all of which are government monopolies.

The colonial administration has taken as its model the German, following in this the example set in the Diet, the police, the army, the law, and education in Japan Proper. It may be that the failure which has resulted is due to its prototype, or it may be owing to Japanese

¹ *Official Gazette*, Diet Proceedings, February, 1912.

characteristics themselves. Anyhow, whichever it is, no change is likely to result, for Mr. Sakata, Director of the Commercial Bureau of the Foreign Office, who was sent to Kiao-chou to report on the German system, came back more enamoured of it than ever, and said that Japan had much to learn from the Germans in the art of administering colonies. It is certainly true that they have much to learn on the colonial question, but whether they will learn it from the Germans remains to be seen. Kiao-chou was a handsomely subsidized commercial agency, and apart from any military or naval importance which Korea and Formosa may have the same definition exactly describes them also.

Whether or not Formosa is a paying property is extremely doubtful. The Budget is conducted on similar lines to that of Japan, and has the same mystification about it. Probably the surplus should rank as a deficit. Korea, anyhow, is frankly unprofitable. About both countries it is difficult to get information, except through governmental sources, and that must be regarded as tainted. In both colonies Press censorship is very strict. Practically the whole colonial administration is in the hands of the Choshu clan, and this is particularly the case in Korea and Kwantung, which are the military outposts of Japan Proper. For the rest Japanese interests are largely in the hands of semi-official concerns. The South Manchurian Railway literally runs Kwantung and the Manchurian Railway zone. The Oriental Colonization Company is supreme in Korea, whilst the heavily subsidized sugar companies and the camphor monopoly manage or mismanage Formosa. The two former concerns were established in 1908, and are controlled entirely by the Tokyo authorities. Of the South Manchurian Railway it is unnecessary to write here, except to say that it has built up an enormous business throughout Manchuria, to the exclusion of every other country, and by borrowing cheap money on the London market on debentures. It is the lever for Japanese advancement and monopoly in North China, and has recently had transferred to it

the management of the Japanese interests in Shantung, acquired by the capture of Tsingtau.

The Oriental Colonization Company was created for the purpose of introducing Japanese into Korea to settle on the land. It received a government subsidy of Y300,000 per annum, until such time as a dividend of 8 per cent. is declared. Its programme at the outset was to transfer 100,000 Japanese annually to Korea, to provide them with land, money, implements, etc., and in general to develop the country on much the same lines as the South African Company developed Rhodesia. So far the whole scheme has been a disastrous failure, and has only transported less than 2,000 families. The land acquired by the company has been obtained by forced sales from the Korean owners, and has been foisted on Japanese immigrants at profits of from .300 to 500 per cent. The property is extremely badly administered, and the greatest dissatisfaction has been caused, not only amongst the Koreans, but amongst the Japanese. Instead of the company loaning cheap money, it charges from 8 to $17\frac{1}{2}$ per cent., plus first-class expenses for the company's officials engaged in the transaction. The methods of the company may be gauged from its refusal to loan more than 25 per cent. of the purchase value of land bought from itself. The loaning department costs Y40,000 per annum in salaries, and has only Y3,000,000 out on loan. The salaries and allowances of the President, Vice-President, and four Directors total Y97,179 per annum, which is Y30,000 more than the salaries of the Governor-General and the five heads of the Korean Administration. The officials are provided with residences at the cost of the company, and these are the most palatial in the country. The directors of the company have the reputation of being capable of wasting more money in a given time than any other body in the Empire. The high officials have a *penchant* for good living, and their wining and dining is spoken of with bated breath. It is needless to remark that the lower officials do not share in the luxuries, a cause of misfeasance

and corruption. The President draws Y18 per day for hotel expenses when travelling, lower officials Y3.50, and a Cabinet Minister in Japan Y12.¹

That corruption is rife throughout the colony is widely alleged, and the numerous cases which have come to light confirm the statement. Where there is an 'inefficient and poorly paid bureaucracy, with a defenceless race to plunder, there must result the most unhappy conditions. I have already referred to the famous Korean Conspiracy case. It provided abundant evidence of the tyranny and cruelty exercised by the authorities over the natives. A well-known missionary working up-country told me : " You can have no idea of the reign of terror which exists in parts of Korea. The police and gendarmerie are absolutely supreme, and nobody dares to question their authority. Men and women disappear from their villages at night, and it is impossible to learn about them. Sometimes they come back as mysteriously, and examination soon shows that they have been under secret detention, and often torture. Their lands and properties are expropriated, and the compensation they ultimately receive is far below the true value."

In Formosa things are no better. Ever since 1895 the authorities have been engaged in subduing the aborigines, and it does not speak highly for the colonial administration that the work is not yet completed. According to a statement made by Mr. Kameyama, Superintendent-General of Formosa Police on January 16, 1915, the final operations against the aborigines, as planned in 1910, were to cost Y15,000,000, and be concluded in five years. In the four and a half years which have since elapsed Japan has lost eleven thousand men, and the scheme has practically broken down, the money having been all expended. The *Osaka Asahi*, commenting on Formosan conditions, said : " As the result of nearly all the money having been spent, the Government-General has transferred the work to the local governments, pretending that there is not much

¹ *Chuo Koron*, August, 1913 ; *Japan Chronicle*, August 29, 1913.

left to do. But matters are not really like this, and the alleged subjugation has not taken place. The aborigines are as dangerous as they ever were, and the country is as inaccessible to us."

The plan now being followed is not one of subjugation, but of extermination. The savages are driven into areas circumscribed by wires heavily charged with electricity. Troops are then passed into this area, and shoot down the aborigines, whilst any of the latter who attempt to escape are killed by the electric current.

The aboriginal campaign is certainly the most difficult the Japanese government has ever undertaken, but when it is remembered that the forces of the two parties are in the proportion of 10,000 Japanese to 300 savages, it is difficult to understand the non-success. This seems to have arrived since the attempt to subjugate the mountain tribes, who are devoted head-hunters and better fighters than the lowlanders.

The treatment of the Formosans by the Japanese is similar to that of the Koreans. As Formosa is the principal source of sugar-cane available to Japan, a policy of land-expropriation has been conducted in the interests of Japanese merchants and sugar mills. The compensation paid is about 10 per cent. of the real value of the land, and in cases where land itself is not seized, the villages are forced to grow cane and sell it to the mills at prices fixed by the authorities, which are considerably below cost, let alone market price. Under such conditions unrest is bound to occur, and then the police, the gendarmerie, and the petty officials get their chance. A petition from Formosa to the Tokyo Barristers' Association, said :—

"The prevailing condition in Formosa is that the lives and property of Formosans are wholly at the mercy of policemen and other officials of the lowest grade. On simple charges of gambling human lives have been lost through torture. Torture is inflicted not only on the guilty, but equally terribly on the innocent. Over three

million Formosans are groaning under the vilest kind of administration." The details of the cruelties inflicted on the Formosans are simply too sickening, and their truth has been put on record by the report of the Tokyo Barristers' Commission, to which I have previously referred.

It is conditions such as the authorities have provoked which give rise to the numerous so-called conspiracies in both Korea and Formosa, and which are opportunities for the extermination of those who dare to protest against official despotism. If a Korean makes a speech in a public place it is sedition, and for his hearers conspiracy. If a Formosan refuses to sell his land it is rebellion.

The following is an account of the conditions which create the daily conspiracy in Formosa, and was written by a foreign resident of the island for *The Japan Chronicle*.

"The other day I called on a Formosan friend. He was mourning, like many others nowadays, the fact that he was forced to sell the bulk of his land and houses. True, he got the full face value for his land, as noted in his deeds, but he did not wish to sell and had to. That was his grievance. He also told me of some curious practices which he asserted to be facts. He had a piece of land which was needed for more or less official purposes. The authorities fixed the price at Y1.70 per *tsubo*, and ordered him to clear away his belongings. His next neighbour, a Japanese, got Y5 per *tsubo* for land exactly similar. Another item. He said: "A Japanese buys land from a Formosan at say Y40. He registers the price on the deed at ten or twenty times the amount. In a short time the expected happens. The authorities inform him his land is needed for official purposes, and request him to state the price at which he is willing to sell. He replies that, as it is *pro bono publico*, he is willing to sacrifice his property at the face value of his deeds, with a very little added as interest on his money, seeing he has not had time to

earn anything on the capital expended. He gets his four or five hundred yen for property which cost him about Y40 a few months earlier ! Not only so, but he also accumulates merit in the eyes of the authorities as a public-spirited man anxious for the welfare of the district and the nation."

The famous conspiracy of 'Rotten Head' (July, 1913), arose as follows. The expeditions against the aborigines are accompanied by coolie transport. Each ten households have to supply one coolie. All able-bodied men between the ages of 25 and 45 report at the police station, and the men of each ten households draw lots for the post of bearer. This man receives nominally Y30 per month, of which Y15 are provided by the government, and Y15 has to be subscribed by the other nine households. How much the coolie gets is doubtful, as money has a habit of sticking on its way through the pay chest. 'Rotten Head' drew a lot as bearer, but refused to go. He was fined Y50, to pay which he sold his two children. He then went to the police station and stole two rifles and took to the jungle with other 'disgruntleds.' By mistake he shot a policeman instead of the village headman, whom he was after. A 'conspiracy' was declared, the area proclaimed, and three hundred villagers arrested.

The Tangsikah 'conspiracy' (January, 1914) had the land trouble for its origin. A Japanese firm built a new cane mill at the village, and offered to buy the local cane at prices below cost. The villagers refused to grow cane, and the authorities expropriated the fields, paying fictitious prices. Of course the villagers, their occupation and land gone, took to the jungle. Those who remained were arrested, charged with conspiracy, tortured and imprisoned.

The whole basis of 'Japanese colonization is wrong. Colonies are considered only as oranges, to be squeezed for the benefit of the merchants and capitalists, who are behind every Japanese colonial official. The idea is not to assimilate the people, but to impose Japanese

domination by the destruction of nationalities. Justice is injustice, administration is maladministration, authority is tyranny. The reforms that Japan has initiated are merely spectacular, and the wrongs she has committed cannot be expiated by the elegance of her official buildings and the construction of a few railroads and telegraphs. The colonies by Rescript of the Meiji Tenno ought to enjoy the same rights and privileges as Japan Proper, but the most thorough work the Colonial Office has yet accomplished has been the stultification of that Rescript. The *Asahi*, commenting on colonial administration, said: "The Japanese authorities have disgracefully neglected their duties. They are wolves and tigers, taking advantage of their official position to outrageously destroy the rights of the people subjected to them." The *Jiji Shimpō* said: "Nothing can more quickly lose Japan her prestige than a continuance of the savagery which disgraces our administration in Formosa."

Count Okuma might well forget the 300,000,000 in India and think of the 3,000,000 in Formosa groaning under Japanese oppression. But, as Dr. Sawayanagi has pointed out, it is the most lamentable of Japanese characteristics that they have "no moral courage to help those who are down, or to support those who are oppressed, though they have the physical courage to kick the weak and the defenceless."

As to the colonizing ability of the individual Japanese it is of doubtful quality. As a solution of the population problem, the colonization of extra-Japanese possessions is a failure. The Japanese does not want to go away to stay away. He wants only to make money and then to return home. Less than 100,000 have gone to Korea, and less than 3,000 to Formosa. They are unable to make themselves a home from home, and they are incapable of the hard pioneering work which colonists must endure. Climates that are too hot are unbearable, and colder climates insufferable. In the Hokkaido there is room for another 3,000,000, but even the bounties

offered to immigrants thither fail to attract. The mental attitude of the Japanese to the subject races invariably takes the form of lordship, and not of assimilation, and it is a rarity for a Japanese to develop an adaptability to the point of marriage with other races.

CHAPTER EIGHT

RELIGION

IF I refer shortly to the problem of religion in Japan, it is not because I have the slightest claim to be an expert on religious matters, but because during the period covered by my stay in that country a peculiar interest arose in the religious question, owing to the Conference of the Three Religions called by the Home Office in 1912.

The reader who has had the patience to peruse these chapters so far will have noted that at the time of the accession of the Saionji Cabinet the conditions of the masses were very deplorable, whilst on the other hand the aristocratic and commercial classes were rapidly falling victims to egoism, arrogance, and extravagance. It was out of this state of affairs that the Kotoku plot arose. The conspiracy of Kotoku and his fellows gave the Cabinet and the Genro a very severe shock, and *more Japonico*, failing to recognize that the blame to a great extent, at all events, was really on their own shoulders, they ascribed it to a degeneration of moral virtue amongst the nation. Just as they temporized with the economic distress by recommending the revival of the Ninomiya doctrines, so they sought to reinstate morality by a revival of religious observances. It was with this end in view that Viscount Hirata, then Minister of Home Affairs, issued secret instructions that the school children should be officially conducted to the shrines and be made to worship the gods on fixed festivals throughout the year.

Whether or not this regiment of religion was uncon-

stitutional, as was alleged by the Christian communities, there is no doubt that it was perfectly futile as a measure to check immorality or to deepen patriotic feeling. Ostentation, corruption, sexual immorality, were the visible signs of a deterioration in public manners which had reached a point which even Japanese writers, who are by no means squeamish, hesitated to describe.

When a few months later the Katsura Cabinet resigned and Marquis Saionji came into power, official circles were still perturbed and 'looking' around for some means of salvation from the dangerous thoughts which were spreading in the country. Marquis Saionji is by no means imbued with the theory of the Imperial divinity nor with Neo-Shinto. It is doubtful if any Japanese statesman is, but the Mikado-worship and its corollaries are utilized by them as a convenient cover for their own political manœuvres, and its danger arises from the inability of the common people to distinguish between what the statesmen believe and what they appear to believe. Nevertheless he recognized, probably under influence from higher quarters, the necessity of doing something to improve moral conditions, and accordingly agreed to a proposal of Mr. Tokonami, the Vice-Minister for Home Affairs, who had just returned from a trip abroad, during which he had been much struck by the connection between religion and education. His scheme, which was remarkably ingenious, was to utilize the three great religions of Japan—Shinto, Buddhism, and Christianity—to influence and improve the civil conditions of the country. For the purpose a conference of the three religions was to be called, so that the various sects might be able to discuss the matter and clear away all misunderstandings before a cut-and-dried scheme was laid before the Diet. The following was the official pronouncement issued by the Vice-Minister in January, 1912, and was productive of no small debate both within and without the country :—

“(1) That it is desirable to effect the union of Religion and the State, and elevate the dignity of religion, and

cultivate in the people at large a spirit of respect towards religion.

"In their excessive zeal for the substitution of all existing institutions by new ones, the people of the Restoration days unavoidably committed the error of destroying 'both gem and stone.' Not a few Buddhist temples were thus destroyed, and since then the general respect and veneration for the Shinto deities and the Buddha has markedly deteriorated. Christianity, too, in those days was an object of not a little dislike or prejudice, and had but a small share of public attention, but its propaganda is now being freely carried on. The mere reflection upon these facts persuades one that now, more than ever, it is urgent to vest in religion more power and dignity than it has hitherto had. It seems to me that the cultivation of the national ethics can only be perfected by the co-operation of education and religion, but at present secular education alone forms the means of teaching morality. Without the association (of morality) with its sources, such as Gods, Buddha, or Heaven, it will be impossible to expect the steady development of fair and equitable ideas among the people. If it is desired to strengthen the basis of popular morality, it is essential that religion and education should go hand in hand. It is therefore hoped to effect the union of the two, so that they may assist each other in promoting the cause of popular education. Such, then, is the reason of my earnest wish for the union of State and Religion.

"(2) That it is also desirable to render more intimate the relations between the various schools of religionists, and create out of them a force that will assist the progress of the nation.

"Now, I am of opinion that the fundamental principles of the various religions are essentially identical; but seeing that what are nowadays regarded as moral principles are considered in different lights or given different interpretations, according to time and place, and that these interpretations are undergoing constant evolution, it would seem advisable for Shintoism and Buddhism

to Occidentalize themselves a little. Upon the restoration of the Imperial Family to power, we abandoned the policy of seclusion and hostility to foreign nations, adopting instead the policy of the 'open door' and progressiveness, and carried out thoroughgoing reforms of all sorts throughout the Empire, drawing near to the countries of Europe in material matters at least, and striving to adapt ourselves to the spirit of the world in general, with the result that we have made progress by rapid strides. This example should be followed by Shintoism and Buddhism in striving to come abreast of the progress of the modern world. It is also to be hoped that Christianity, discarding its policy of confining itself to a certain sphere as if it were a sort of colony in a foreign country, will aim at greater success by adapting itself to our national Constitution, and being careful to harmonize itself with the popular sentiments and customs. Some might raise objection to this plan, saying that it would deprive the three great religions of their distinctive features. But Christianity adapts itself well in England, Germany, America, etc., to the peculiarities of the people in whose country it finds itself. What reason, then, is there for the apprehension that the Europeanization of Shintoism and Buddhism or the Japonization of Christianity will prevent them from developing their characteristics as the modern religions of Japan?

"It is my most earnest wish to see the harmonization of the ideas and beliefs of the Occident and of Japan thus effected in our spiritual world. It is with the object of enjoying the benefits of the civilization of the Occidental countries that we have early pursued the policy of the 'open door,' and progress in our politics and economy, and a similar result, I am persuaded, is capable of realization in the spiritual world. It is of special importance for our countrymen, who belong to a different race from Occidental peoples, to pay due attention to this matter. It is true that the terms Yellow and White races are no more than superficial marks of distinction; still, too much care cannot be taken in harmonizing the

differences of sentiments arising out of this dissimilarity in colour. And how much more care should be taken to avoid differences of this kind in spiritual matters ! The right way of conduct is one and the same everywhere, but if we desire to participate in the civilization of the world, and enjoy its benefits together with other countries, we can no more afford to stand alone in spiritual matters than in political and economic affairs. I consider it one of the greatest missions of religionists, therefore, to co-operate with one another in promoting the cause of the State and their religion. In short, I hope to see religion acquire still greater authority and dignity, and a tendency arise among the people in general to respect religion, so that it may contribute towards the elevation of popular morality, and that Japan may also contribute towards the peace and civilization of the world in spiritual affairs as well. The matter, however, is liable to arouse the misunderstanding of the public, while there is no saying that it may not even cause misunderstanding among the religionists themselves. It is for this reason that I desire the establishment of a full mutual understanding among all concerned before the scheme is finally put into effect. Indeed, what I have done so far is to attempt to establish connection among the various sects and religionists with this end in view."

Shinto is the oldest religion in Japan, and although it fell into disrepute after the introduction of Buddhism, and in particular after the establishment of the Shogunate, it has always remained associated with the Imperial Court. As pointed out elsewhere, the Restoration movement was fostered by the Shinto priests with the definite object of upsetting the predominance of the Buddhists, and obtaining for themselves the riches and glory which the Shoguns had lavished on the latter. Its code of ethics, in particular the attention paid to ancestor worship, made it especially attractive to the leaders of the Restoration, as it formed an excellent moral basis for the political end which they had in view, the resuscitation of the Imperial authority. When the Restoration had been

accomplished, Buddhism was disestablished and Shinto took its place, being acknowledged as the national religion. The Japanese statesmen soon realized, however, that Shinto had no real hold on the people, and Buddhism, though not restored to its former predominance, was officially recognized, and is to-day without doubt the popular religion of the country. Shinto labours under the difficulty that it is not, and never can be, a live religion. In these days of progress and science and inquiry something more is required than a blind obeisance to the dead past. Japan may or may not have attained her present position by the Imperial virtues, but she certainly does not owe it to the worship of the gods suggested by Viscount Hirata's secret memorandum to the school teachers. If religion is to be an inspiration to progress, rather than a lip-service to patriotism, then Japan must find something more inspiring than the rites of Shinto, which neither appeal to the gladness of the eye nor the agility of the brain.

Buddhism was first taught to Japan by envoys sent by the King of Pakche in return for military assistance against his more powerful neighbours. The Japanese version of Buddhism is not pure, but a mixture of Korean and Chinese. In its early days Buddhists underwent a similar persecution to the Christians under Ieyasu, and for similar reasons, because they mixed in politics. Nevertheless, they withstood all these tribulations, and from the sixth to the seventeenth century Buddhism flourished and was indeed the predominant religion. That Buddhism should have spread throughout the world as it has is not surprising. Its high philosophy, its beautiful art, its spirituality and its founder's saintly life were all powerful appeals to converts, whilst its doctrine of mendicancy had something compelling in Oriental countries, where throughout the ages the masses have always been faced with want. In Japan, in addition, it had a powerful aid to proselytism in the patronage of the Shoguns.

As Buddhism spread in Japan it deteriorated, and

few would have been able to reconcile it with the creed of its founder. This was the complaint of the critics of the eighteenth and nineteenth centuries. They alleged, and it appears with truth, that every tenet of Buddhism was violated, and from a religion of poverty, mendicancy, and individualism it had become one of hierarchies, riches, and influence.

The fall of Buddhism after the Restoration did something to check these evils, but of recent years they have been revived, and have passed even their old limits. The Nishi-Hongwanji scandals of 1914, scandals the discovery of which had been postponed for a few years by an ingenious course of fraud and forgery, gave Buddhist Japan a shock from which it will not easily recover. The revelations of the Lord Abbot's extravagances, his palace on Rokkusan, his imported furniture, his gardens, his motors, his travels, his explorations, all paid for from temple funds, read almost like a tale from the *Arabian Nights*. His family relationship to the Imperial House, he is brother-in-law to the present Empress, caused his personal connection with the muddle in the temple finances to be hushed up, but his ultimate responsibility for the deficit of ¥13,000,000, and for the immoralities and crimes of his monks necessitated his retirement into private life.

Buddhism, therefore, at the present time is at a low ebb, at least as regards the more official sects. The people are indisposed to give their money to temples where it will be frittered away in extravagant orgies or embezzled without apology by the monks, as in the case of the Atsuta Temple at Nagoya. Certain other sects, however, as the Tenrikyo and the Zen, are reaping the benefit of the evils of their better-born contemporaries, and the extraordinary progress made by these humbler and less ostentatious bodies and the great sums donated to them, mostly in offerings from the lower classes, are witness to the hold which religion can have on the people, even though, strictly speaking, the Japanese are not a religious folk.

Confucianism was introduced into Japan by the Tokugawas, but never arrived at the dignity of being considered a religion. At first it was of a Buddhistic flavour, but later became strongly mixed with politics, and the study of philosophy to which it led had much to do with the mental training, which prepared the way for the Restoration. It never attained the hall-mark of popularity, and was mostly confined to the upper classes and the *literati*. It produced some brilliant scholars, and it was entirely characteristic of the Japanese that they did and do claim that the only pure Confucianism is that which was practised in Japan during the latter half of the eighteenth and the beginning of the nineteenth century.

Christianity was introduced into the country by the Jesuits in the seventeenth century. Owing to the intervention of the priests in politics it was sternly repressed until after the reopening of the country. Since then the work of conversion has been persistently undertaken, but it must be confessed that the results have been far from good. Over two millions sterling has been spent, and over two thousand missionaries have been employed in the work, but the number of professing Christians is very small. Of the individual churches the Greek has obtained by far the greatest success, especially when it is remembered that the Greek congregations are the results of one man's labour. The late Archbishop Nicolai was, until within a few years of his death, the only priest of his church in the country, but he had secured 37,000 converts, nearly all of whom remained faithful. With Protestant missions the result is very different, and in only too many cases Christianity is a means to an end, a knowledge of English, and the pupil reverts to the gods of his country as soon as he has learnt sufficient.

Whilst it would be untrue to say that the Japanese authorities disapprove of Christianity, it must be admitted that the religion lies under serious disabilities, which can hardly be avoided in a country where religion has

mostly the character of an abstract and impersonal code of morals.

The following summary from an article in the *Shinjin*, by Dr. Ebina, a leading Japanese Christian, reproduced from *The Japan Mail* review of current religious literature is of considerable interest in this connection.

"Considering the amount of organization that exists and the number of people preaching Christianity, one would be led to suppose that it should be making very rapid progress in the country; but this is not so. It advances very slowly, principally on account of the numerous hindrances to its acceptance to be found in the Japanese mind, and those which have come from Western sources. To take the hindrances arising from the Japanese mental constitution first, it is true to say that both the strong points and the weak points in the Japanese character militate against the spread of Christianity.

"Now, undoubtedly patriotism is a valuable asset to us as a nation, and without it we should not occupy the position in the world we do to-day. But this patriotism is accompanied by a spirit of self-sufficiency, self-conceit, insularity, narrow-mindedness, and anti-foreign feeling. There are not a few Japanese who imagine that we are the most patriotic people in the world. This whole state of mind is a serious hindrance in the way of the acceptance of a comparatively new foreign religion like Christianity. The mass of the Japanese are not conscious that there is anything wanting in their mental make-up. They look with supreme satisfaction on what they have inherited from their ancestors, and national vanity leads them to think that whatever has come from abroad has been immensely improved by the Japanese, who have imported or adopted it. They say that Japanese Confucianism is infinitely superior to Chinese Confucianism, and that Indian Buddhism is nowhere compared to Japanese Buddhism. Even fine art, they contend, never underwent elsewhere such development as has been witnessed in Japan. There are those who go as far as

to say that Japan has even improved on the constitutional government known in the West. This state of supreme satisfaction, with what they have, is a great obstacle to the acceptance of Christianity, on the part of a great many of our people.

"To turn to the other class of hindrances to the spread of Christianity, there is no denying that it is well known to our reading people that Christianity no longer occupies the place of pre-eminence in Western lands which it filled for so many centuries. Formerly, the prevailing morality was Christian morality. Neither education, politics, philosophy, nor science were entirely free from Christian control, but to-day, all things have changed, and from Christianity's controlling the whole of society, it has come to exercise authority over only a very small section of it. (*Sekiji wa shakwai no zembu wo tōji shite otta Kirisutokyō ga ima ya shakwai no ichi shōbu ni kyokugen sararen to suru keikō ga miyuru.*) It has been separated from literature, it has been separated from education, it has been separated from science, and thus it stands alone to-day in a somewhat perilous position, from which it needs extrication.

"Despite their natural hostility to things foreign, our Japanese people warmly welcome the anti-Christian thought which is imported from abroad. So it comes to this, that we have external influences and mental proclivities, prejudices and weaknesses, added to a large amount of traditional superstition, all combining to hinder the progress of Christianity in this country. Christianity needs to supply itself with the very best weapons, and to use them most vigorously, in order to overcome all the formidable obstacles to its prevalence, on which we have touched above."

No Japanese, until quite recent times, has paid attention to the metaphysics of religions. In Buddhism, Shinto, and Confucianism, as practised in Japan, there is only a vague conception of God, and no concrete idea of either the creation or the hereafter. To the Japanese all religions are merely moral maxims, and they have no

interest in the theology which lies behind them. Religion for them is not connected with a future state, but only with advancement in the present. The attitude of the Japanese towards religion is exactly that of a young friend of mine, who was going up for a scholarship at Westminster School. He stopped for the period of the examination at an hotel in Victoria Street. The first morning, before breakfast, he announced his intention of attending early service at the Abbey. "Why, Ralph, what's the matter?" said his mother, very astonished. "Mother," he replied, "you know the exam. begins to-day—and one ought to leave no stone unturned!" I treasure a postcard from the top of Fuji from a Japanese friend as follows: "I thank you sincerely, for correcting my brother's English essay. I have come up to pray for his success, and together I hope we shall have achieved it."

I remember once at school a heated discussion as to whether it was right to pray for a free-wheel bicycle. A Japanese always prays for material, not moral benefits. A burglar or a murderer generally visits a shrine before setting out on his nefarious exploits. There are plenty of shrines in Japan which survive only from their connection with *geisha*, prostitutes, and criminals, who evince a particular faith in the gods enshrined there, and accordingly make liberal donations out of their earnings and takings in the hope of favours to come.

I think it will be clear from this that Christianity must present inherent difficulties for Japanese. Again, these latter are essentially a light-hearted people, and they like their religion to be of a rather superficial character, and certainly do not want any creed which may tend to solemnity, or sanctimoniousness. Religious observances should be of a festive, not of a solemn, nature.

Captain Brinkley writes: "Religion does not overshadow the daily life of the Japanese. The gloomy, fanatic is unknown. Confessions of sin, repentance in sackcloth and ashes, solemn and protracted acts of

worship, the terrors of an eternity of tortures, these things scarcely enter into the layman's existence. The festival may indeed be called the popular form of worship in Japan" (*History of Japan*).

The feature of all religions in Japan is the acceptance of their maxims and the rejection of their doctrines. Buddhism appealed directly to the masses, on account of the excellence of its morals, but its supernaturalism never created any interest, and was quickly relegated to the storehouses of legend. Confucianism, confined as it was to the gentry and the scholar, was quickly converted into a superior code of ethics, easy to understand and easy to follow. Shinto, the official religion, was in the same manner transformed into a creed of patriotism. The history of religion in Japan has been, to a great extent, a process of selection and harmonization. In religion strictly so-called the Japanese are frankly agnostic. Sceptics to the marrow, they have no use for the complicated theology which is associated with all creeds. They want the results, but not the causes. Pure Christianity, whilst they approve in principle of its ethics, cannot meet with full acceptance because its very source sets up a divinity greater than the Emperor. Christianity, without Christ would be to them a very acceptable belief.

It stands to reason that if only the ethics evolved by religion are recognized, there is very little difference between any religions. If Shinto, Confucianism, Buddhism, and Christianity all preach loyalty, patriotism, honesty, and morality, there is not much to choose between them, provided their theology is left out. In the same way new religions can be created with ease, and accepted with liberality by State and people, as has been done in the case of Tenrikyo, Hotoku, and other beliefs. It is this doctrinal elasticity which has permitted the numerous attempts at harmonization of religions. As I have remarked earlier, compromise is a prominent characteristic of the Japanese. They compromise in social, financial, and political matters with great facility, so long as 'face' is not lost. It is the same with religion.

There have been numerous attempts to harmonize religion, Buddhism with Confucianism, Shinto with Confucianism, Buddhism with Shinto and Confucianism, and now in the twentieth century we have had an official attempt to harmonize Buddhism, Shinto, and Christianity. At the time when Mr. Tokonami's proposal was made, I telegraphed home a summary of the same, and, commenting on it, I pointed out that in most of her adoptions from abroad Japan had managed to set up a variety of her own, and in the event of the adoption of Christianity, we might look forward to a variety of Christianity adapted to suit local requirements. Nothing that has happened since has caused me to alter that opinion.

In one respect the Great War has removed a serious Japanese objection to Christianity. They have always argued that Christianity was not consistent with patriotism, and they have now seen and gladly acknowledge the reverse. Although Christianity breeds individualism, individualism is as capable of as great patriotism as State-worship.

Signs have by no means been lacking of the elasticity of the doctrines of the Japanese Christians. They made no protest against the erection of a shrine to the Meiji Tenno ; they approved of the suicide of General Nogi, and they were most satisfactorily anti-American during the crisis of the Californian question. On the other hand, Japanese are perturbed by the extraordinary equanimity with which foreign missionaries, especially Americans, renegade on their own country in moments of political tension, and they argue that if this is due to the influence of their belief, Christianity cannot prove a satisfactory religion for Japan to adopt.

It would be interesting to know the real cause of Mr. Tokonami's proposal. I imagine, and the general opinion in Japan was in agreement, that there was a political motive in the background. The country had advanced too quickly, too materially, and the Vice-Minister was preaching an Oriental version of Matthew xvi. 26 : "For what is a man profited

if he shall gain the whole world and lose his soul?" It is clear from the official pronouncement that some form of religion was regarded as necessary to the progress of the nation, but what form was a matter of complete indifference. To propose an amalgam of the three religions was the true Japanese touch to the whole affair.

Quite apart from the doctrinal side of the question, the scheme was interesting as a slight indication that some of the authorities at least recognized the limitations of Emperor-worship; and with those limitations the futility of official interference with ethical codes. Yet it was typical of the bureaucratic and conservative attitude that this indication of failure was signalized by yet another attempt at dominating public opinion.

The Three Religion Conference failed. It was the object of attack from all sides. Commenting on the proposal the *Osaka Asahi* said:—

"This latest scheme of the Home Office has none of our approval from any point of view. In Japan the great change of government at the time of the Restoration was the signal for the separation of education and religion, and the basis of our national ethics, our object of education was clearly set forth in the Imperial Rescript on Education, so that with proper men in the educational profession we should be in a position to reap better or more effective results than even European nations in the cultivation of national morality. Recently, however, all sorts of new ideas have been swallowed by our countrymen with indiscriminate eagerness, with the result that even the so-called dangerous thoughts were imported, and the minds of some people were misguided. But it is open to the gravest doubt whether the appearance of such people is altogether attributable to the blunder of the educationists, for it is contended in some quarters that the erroneous policy of the governing class was primarily responsible for the unfortunate phenomenon.

"The project of the Home Office to utilize religion for purposes of education is practically an endeavour to make the world more backward by two or three

centuries. The idea may meet with the approval of some in our educational world, suffering, as it is, from a sort of nervous debility, or among modern religionists, who are soaked in corruption through and through. But neither true educationists nor religionists who have sincere faith in their creeds, will ever welcome such a plan. Besides, the impracticability of the harmonious union of different religious creeds or sects is amply proved by historical facts. The adoption and utilization for educational purposes of the common features of different religions can be no more than a subject for academic discussion, for religion will vanish when the various creeds are purged of their distinctive doctrinal characteristics in order to amalgamate their common features."

The scheme did not receive any strong support officially, and it was conveniently explained that the Vice-Minister represented nobody but himself. The proposal to introduce religion into education raised a storm of opposition, in which the Christian communities showed themselves by no means backward. The Department sternly denied that there was any intention to transfer the control of religions from the Home Office to the Department of Education, but the official nature of the denial was clear enough when six months later the Bureau of Religions was so transferred. Although the opposition to the Home Office scheme was sufficient to kill it, the idea was good. Its opponents, whilst ostensibly basing their objections on public grounds, really were inspired by factional interests. There is no jealousy so bitter as that of religious bodies, and no language so strong as that of religious controversy.

The attitude of the Christian missionaries was summarized in the following statement, issued by Dr. Imbrie, Bishop Harris, and Mr. Galen Fisher :—

"The public announcement that it is the purpose of the Vice-Minister of Home Affairs to hold a conference of representatives of Shintoism, Buddhism, and Christianity has awakened wide interest. It could not be otherwise. But among the statements that have appeared in

the press, there are some which have been written without a clear knowledge of what is intended; and, in order to prevent possible misunderstanding, the Vice-Minister has sanctioned the publication of the following statement.

“(1) The primary intention in holding the Conference is to direct attention to religion as a necessary means to the highest spiritual and moral welfare of both the individual and the nation. For a number of years this matter has not been given the importance that properly belongs to it; and the primary purpose of the Conference is to reassert that importance.

“(2) No attempt is intended to unite the adherents of the several religions in one body; still less to establish a new religion. Shintoism, Buddhism, and Christianity, are all religions; but in certain important particulars each differs from the others, and the religious convictions of the adherents of each should be respected without interference. It may, however, be confidently presumed that Shintoists, Buddhists, and Christians alike will cordially recognize a responsibility to act as fellow-labourers for the advancement of the spiritual and moral interests of the nation to the utmost of their ability.

“(3) Shintoism and Buddhism have long had a recognized place as religions of the Japanese people. Christianity should also be accorded a similar place.”

The support of the scheme, on terms, by the Christian missionaries, was sufficient to ensure the opposition of the Buddhists, and so the matter was withdrawn. But in certain essentials there can be no doubt that Mr. Tokonami was right, and especially in the view that no State can prosper without religion. His corollary that no religion can prosper without the State does not follow.

For the moment the future religion of Japan is a matter in abeyance. That it will eventually be a modified form of Christianity, blended with Buddhism and Shinto, I do not doubt. But the time of its creation is yet far off.

The decision in favour of the new religion may be expected when the existing Emperor worship, with its

dependence on officialdom, has irretrievably broken down; when the present state of temporizing is ended, and Japan finds herself ready to part company with Asia in religious matters, and to exchange her present system of centralization for one of self-government and individualism. It will certainly be a scientific and simple form of Christianity, for science and Christianity are equally new to Japan, and the latter has the more to recommend it, whilst the perplexities and complications of Western theology are far too deep for the Japanese brain to grapple. A nation which has deliberately shelved metaphysics and the abstruse problems of Eastern beliefs is in no way ready to surmount the even harder obstacles of Christianity. When that time comes we may look forward with confidence to Japan demanding the right to proselytize for her own blend of Christianity in the same way as she has demanded from China the right to preach Japanese Buddhism in the Republic.¹

¹ With regard to this demand it is interesting to note that the Buddhist Conference in 1912 put forward a demand to the government for the obtaining of the privilege, and that the Foreign Office expressed approbation on the ground that the missionaries of Christianity were invariably political agents as much as religious ones. A serious objection to the Japanese propaganda is not only its doctrinal divergence from Chinese Buddhism but its approbation of assassination for political purposes.

14 DAY USE
RETURN TO DESK FROM WHICH BORROWED
LOAN DEPT.

This book is due on the last date stamped below, or
on the date to which renewed.
Renewed books are subject to immediate recall.

REC'D LD

DEC 18 '63 - 11 AM

850'657^M
REC'D LD

AUG 27 '65 - 4 PM

Due end of SUMMER Period
subject to recall after —

JUL 1 9 '72

RETURNED TO

JUL 21 1972

LOAN - AHC

LD 21A-40m-4, '63
(D6471s10)476B

General Library
University of California
Berkeley

YB 29009

369913

DS 810

P 72

UNIVERSITY OF CALIFORNIA LIBRARY

